Tomorrow's Market Leaders—Page Hersey

Largest Circulation of Any Canadian Financial Paper

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Canadian Mining News Department Page 15

Vol. XXIV | 10c a Copy; $5.00 a Year | PUBLICATION OFFICE: TORONTO, AUGUST 29, 1931 | Member of Audit Bureau of Circulations | No. 35

The Nation's Business

Britain Averts Serious Crisis

Canada Wonders What Follows

Tory Triumph Means Preferences

The Situation in Britain

WHILE the new national or coalition government in Great Britain promises to be of some aid in meeting what is obviously a serious emergency, carrying within itself the germs of acute financial crisis, Canadian business men are more interested in what is likely to follow this temporary measure. Just as the Hoover moratorium avoided financial collapse in Germany the formation of the coalition government has averted a $4 pound, a serious flight of capital and a strangling bank rate. The immediate objective of the new government is to balance Britain's budget and to restore the confidence of capital so that private banking accommodation may be provided in lieu of further support from quasi-national banks of other and more upstart financial powers. But after the coalition, what? Stanley Baldwin seems to have made it clear that the Conservatives expect an election later in the year. And undoubtedly the Conservatives anticipate victory in a national contest. A Conservative victory may mean fundamental changes in British fiscal policy.

* * *

IT WAS a combination of internal and external influences that forced the sudden change in the complexion of British government. Mr. Snowden has been working on a plan for the conversion of the British war loans. He has been told bluntly by American investment bankers that they could not place new bonds in the States at the interest rates he had in mind until the British budget was balanced. Thus Wall Street helped to dictate the formation of the coalition government. But at home, British finance rose in its might and also forced action. When Sir Josiah Stamp called on the King (probably filling the rôle Montague Norman would have filled had he been home and well) he showed that rulers must still obey when their bankers talk common sense just as they did when rulers were supposedly absolute monarchs. So British finance told the government that its socializing programme had gone so far as to endanger the fundamental soundness of British finance. It is to the credit of Ramsay MacDonald that he could translate the handwriting on the wall when it was read out to him. It is to the credit of the leaders of other parties that they, too, were ready to put Britain's credit ahead of party advantage—although they have each retained their long-pull objectives.

* * *

THE coalition does not represent a surrender to protection. It seems to forestall protection for the moment. But if the coalition gives way inevitably to a Conservative government Britain is undoubtedly in for a reign of tariff. Also, there can be little doubt, Empire preference will follow in natural consequence but whether or not even the Conservatives will introduce a form of Empire preference that will be of material benefit to Canada and the other Dominions is yet to be determined. Canadians will watch in hope, prepared to let the domestic problems of Britain be given emergency treatment before consideration is given to the broader phases of Imperial development.

* * *

THERE is a lesson in Britain's experience for Canada, just as there was in the experience of Australia, Brazil, and other countries that have attempted to create prosperity by the expenditure of public money instead of by the establishment of fiscal and taxation systems under which private enterprise could find encouragement for the building of prosperity. Just now we are lavishing money on relief bonuses and public works to provide incomes for farmers and other workers. The doctrine that the State owes every man a living is accepted as public policy in this country today but it has undergone an essential modification for, in our application of it, we have it that the government owes every man a living. Emergency relief and employment measures may be inevitable but it can only stultify our national development to have them develop into a continuing policy. Eventually Canada must pay dearly for its present effort to distribute prosperity artificially. We must be prepared to face a heavier burden of hampering taxation in the near future and this will undoubtedly slow up our national development.

* * *

WHAT is happening now in Britain is evidence of the difficulty of stopping a train of public expenditure when it gets under full steam. The labor groups that have supported MacDonald are already raising their voices in protest at the prospect of part of their doles

(Continued on page 2, col. 3)

GAS ADVANCES COME IN WAKE OF OIL ORGY

Production Curtailment Paves Way for Higher Prices

ALBERTA PRICES UP

Turner Valley Naphtha Prices Up on Account of Higher Crude Prices

Increased price levels announced for gasoline in Canada and the Eastern United States reflect the higher prices posted for crude oil, following shut-down in Oklahoma and Texas.

For the first time in many months the requirements of the refineries are in excess of the crude oil being marketed, necessitating withdrawals from storage tanks. This condition has been brought about by shutting down of the wells in Oklahoma as the result of Governor Murray's militant order.

Proration had been in force in Oklahoma, but this control was not adequate to meet the increasing production, which led to ruinous prices for the producer.

Expect Higher Levels

With the Oklahoma wells shut in pending an advance in crude oil to $1 per barrel, and with attempts being made by the Governor of Texas to follow the lead of the Oklahoma governor, still higher prices are promised for crude oil, which prices will undoubtedly be passed on to the consumer by way of higher gasoline prices.

In the Turner Valley field of Alberta, new prices have just been posted. The advance on clear crude naphtha is from $2.74 to $3.12 per barrel, while on discolored crude naphtha the new prices are $2.88 per barrel, as compared with $2.50 previously.

This advance in Calgary area is not the result of any local condition but is following the policy of the Imperial Refinery of setting Calgary prices on a par with those prevailing in the adjacent Montana field. Recently the posted crude oil prices in the Montana field were 70 cents per barrel. Upon curtailment of the Oklahoma production the posted prices advanced 20 cents per barrel to 90 cents. The higher prices paid in Turner Valley are owing to the higher test of the product of that field. The controversy introduced by some of the independent operators in Turner Valley has led to misunderstanding. Following the recent announcement of the Imperial Refinery that it could not accept more than 50 per cent of the present output, based on the production figures for June, attacks were made on its motives, on account of the crude oil it is importing from the Montana field. Imperial Oil officials point out that owing to the high test of the Turner Valley production it must be blended with crude oil of a lower grade, to bring the gravity down to a commercial basis. For this reason imports must continue to come in from the Montana field, as it takes about one barrel of crude oil to blend with a barrel of naphtha. In order to utilize further the naphtha production from Turner Valley, Imperial, it is understood, has been making an abnormally high test gasoline thus increasing the ratio of naphtha consumed in blending.

Two-Fold Conservation

The restricting of naphtha production means that a two-fold conservation measure will be effected. Firstly in the amount of gas released to the atmosphere and wasted, and second, in the higher naphtha content of the wet gas when held under back pressure. Few independent producers in Turner Valley have made any attempt at conservation, the policy being to take all the production possible while there was a market for it. This policy not only has proven undesirable from the standpoint of future naphtha production, but the great economic waste caused by the flow of waste gas has brought government action. As a conservation measure it is proposed to restrict the combined gas flow from the field to 100,000,000 cu. ft. daily, or about 40 per cent of the flow that has existed in the past. Tests are now being conducted to determine what the actual flows are from the various wells, and what wells are in condition to have back pressure applied without ruinous results. Many wells in the Valley were not left in a proper condition to meet increased back pressures or prolonged shut downs. The original well in the district, Royalite No. 4, is at present shut off owing to obstructions that will have to be drilled out before production can again be taken. There is no intention of attempting to restore production from this well at the present time, as it is probable that serious consequence would follow should pressure be restored and then an attempt made to hold it back to curtail production.

Royalite Four Still Leads

Royalite No. 4 still stands as the greatest producer in the Turner Valley and indications are that the production from this one well will be greater than any entire section in the Valley. At the present

(Continued on page 2, col. 2)

Detroit and Windsor Cross-River Transit May See Big Merger

Bridge, Ferries, Tunnel Named in Fusion Talk

PASS TUBE INTEREST

Present Charges Not Being Earned on Debentures and First Mortgage Bonds

Announcement is expected soon that the interest on the $8,500,000 of 6½ per cent debentures of the Detroit & Canada Tunnel Co., due on November 1, will not be paid. There is a remote possibility that the interest on the first mortgage bonds will be paid, but it is deemed likely that both issues will be in default on that date. The first mortgage bonds also total $8,500,000 and they bear 6 per cent interest.

It is understood that at the present time, which is the busiest season of the year, the tunnel is not earning anything toward bond or debenture interest after paying operating expenses, taxes and depreciation on its buses.

Merger is Possible

Detroit International Bridge Co., owners of Ambassador Bridge, has been in default of interest on its $11,978,000 of 6½ per cent first mortgage bonds, and on the $8,000,000 of 7 per cent debentures from February 1, 1931. At the present time it is understood that the bridge is earning a trifle more than operating expenses but, on the basis of present traffic, there is no possibility of bond interest being resumed.

If, as seems probable, the tunnel company gets into the same position as regards its bonds and debentures as is the bridge company, there is a possibility of negotiations being opened with a view to merging the transportation interests on the Detroit River. Such a step to be effectively in the interest of holders of bridge and tunnel securities, would necessarily involve the ferry companies operating between Windsor and Detroit, and Walkerville and Detroit.

Ferries Operate at Low Cost

The ferries continue to do a substantial proportion of the available business and whatever were the hopes of the bridge and tunnel promoters before those projects were completed, it is now apparent to all that the ferries can continue to operate—that neither bridge nor tunnel can create conditions which would swing to those facilities all of the traffic now going to the ferries. The ferries, it is understood, can be operated at substantially lower charges per vehicle or per passenger than can the bridge or tunnel. The capital investment is not large and it is pointed out that these interests have no funded debt obligations to the public and naturally would continue in business

(Continued on page 2, col. 3)

Stimson Advertising Still on Building

Bulletin of Better Business Bureau of Toronto says:

"On several occasions the bureau has called the attention of the assignee to the objectionable sign appearing on the top of the Commerce & Transportation Building which advertises G. A. Stimson & Company Limited as 'The Oldest Bond House in Canada.'

"On each occasion the bureau has been assured that negotiations are in progress with a view to having the sign space rented to provide revenue for the holders of the Stimson securities at which time present sign will be taken down."

It will be recalled that the Stimson company and its various affiliated enterprises went bankrupt recently when criminal prosecution was launched against heads of the firm.

DOMINION MOTORS PLANS TO SHOW BRAND NEW CAR

Name Selected on Eve of Exhibition Motor Show

Rumors that Dominion Motors, successors to Durant Motors of Canada, would manufacture and distribute the De Vaux car in Canada are denied by officials of Dominion Motors. Automobile row in Toronto has been running with rumors about the Dominion Motors plans this week and the fact that the De Vaux car is being made by the former California unit of Durant Motors Inc. probably gave impetus to this story.

Actually Dominion Motors has a brand new car all of its own, a six cylinder model, on a 109-in. wheelbase, to sell below $1,000 and to compete with Ford, Chevrolet, Plymouth, etc., without coming directly into their price class. The company is now into production on this car at its Leaside plant. The plant will produce 500 cars this month of this model and of the new Durant six, which offers free-wheeling, magnetic starting switch and similar refinements.

Name Still Unknown

As The Financial Post went to press even the name of the new car had not been finally approved but it was hoped to have the announcement of the name and other details ready before Canadian National Exhibition automotive show opens on Friday, Aug. 28.

With the Durant six and the new car, Dominion Motors hopes to regain some of its former high standing in the automotive production field in Canada.

Durant Motors of Canada ran along at a fast production and profits pace when automobile buying was on a good scale in Canada. Profits per share were 74 cents in 1926; $1.26 in 1927; $1.85 in 1928 and $1.28 in 1929. The year 1930 saw a decline in car purchases in Canada and Durant reported a loss for the year, although the strong working capital position was maintained and the company continued to pay its regular dividends of 40 cents a share.

Other Deals Fell Through

Early this year Canadian interests acquired control of the company and connections with the American Durant company were severed. Name of the company was changed from Durant Motors of Canada to Dominion Motors.

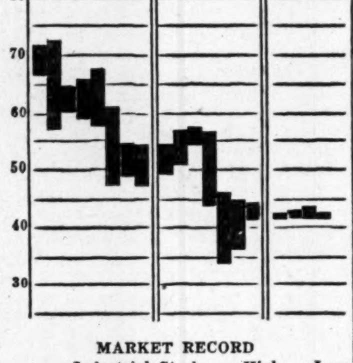
Attempts were made to work out agreements for the manufacture of other lines of cars at Leaside and the Nash car was mentioned. Nothing came of these transactions at the time. Since June, when the Nash negotiations fell through, little news has come from Durant headquarters but it is known that Roy D. Kerby, president and general manager, who is largely responsible for the success the company has achieved, has been busy planning the company's future.

Moose Jaw Seeks Industry

Moose Jaw now has an industrial area of about 50 city blocks, the city council having set aside three subdivisions for the purpose—Prairie Heights, Westmore and Sunnyside. The area lies roughly between the main line of the Canadian Pacific and the Outlook line branch.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of Aug. 25	42.9	41.2
Week of Aug. 18	43.4	41.5
Month of Aug., 1930	65.9	58.1
8 Bank Stocks		
Week of Aug. 25	224	222
Week of Aug. 18	225	224
Month of Aug., 1930	255	249
10 Public Utilities		
Week of Aug. 25	68	65
Week of Aug. 18	68	67
Month of Aug., 1930	91	85

Ottawa Power Effects New Rate Schedules

From Our Own Correspondent

MONTREAL.—Strength in the shares of Ottawa Light, Heat and Power Co., which have risen from a low of 90 to current levels of around 107 during the current year, may be attributed to an adjustment in the company's rates which is expected to lead to increased earnings. The new rate schedule became effective August 1; details are not yet available.

There is also the latent possibility that Ottawa Power may eventually be acquired by the municipal hydro. Such an occurrence has often been mooted in the past; there has been no indication at the present time, however, that negotiations are being carried on between the two organizations.

Net earnings of Ottawa Power in 1930 showed an increase of about $17,000 at $681,455, as compared with 1929. After provision for depreciation, bank and bond interest, there remained $328,593 applicable to dividends, an increase of $7,000 over 1929. This was equal to over three times dividend requirements on the 6½ per cent preferred stock and common share earnings were $6.60 as against the regular dividend of 6 per cent.

STEEL OF CAN. REMODELLING "A" FURNACE

Regular Policies Maintained Despite Less Activity

SHARES ARE STEADY

Strong Financial Position Enables Company to Sustain Current Burden

From Our Own Correspondent

MONTREAL. — Though plant operations are presently being conducted at a comparatively low rate and earnings are likely falling below those of last year, Steel Co. of Canada is calmly proceeding to carry out its regular programme of plant rehabilitation to keep its properties up to their usual standard of efficiency.

Taking advantage of the present slack period the company is spending about $100,000 on remodelling and modernizing its "A" furnace at Hamilton, a job which will take several months to complete and will give employment to a number of men.

Steel Co. has consistently ploughed back large sums into property through good times and bad with the result that wide expansion has been undertaken despite the fact that over $8,000,000 has been added to surplus. This policy has borne good fruit, since results last year were stated to reflect, in no small measure, economies effected through liberal plant expenditures made in recent years.

No Improvement Yet

In face of influences which have an adverse bearing on nearly every one of its various divisions it is only natural that there has been little or no improvement in the situation surrounding Steel Co. of Canada. The company's activities vary according to the volume of money being spent on capital account in any one year; capital expenditures have necessarily been curtailed on all sides during the current year.

Construction, railway expansion, all industrial development, in fact, draws on Steel Co. of Canada for some part of its requirements when times are prosperous; conversely the company feels, in common with all steel producers, the effects of hard times in many ways.

Shareholders Unperturbed

It is unlikely that the dividend on the common stock will be earned but shareholders, for good reason, do not appear to be perturbed. The shares are being closely held and at present prices both preferred and common yield slightly over 6 per cent.

Steel of Canada has prepared itself for fluctuations in business and has built up in the past a surplus of $14,502,444. Government bonds and other securities at the end of last year totalled $5,278,624, and working capital was $13,767,043. Against this annual dividend requirements on the preferred and common stocks are $1,259,741.

This rate has been maintained on both preferred and common stocks since 1918 though earnings have exceeded disbursements by a wide margin. Less than 60 per cent of the profits have been paid out in dividends since that time; it is not surprising, then, that present conditions are causing little concern to those following the company's destinies.

Ore Dock is Active

An instance of savings made through capital expenditure is well illustrated in construction of the 1,800-foot coal and ore dock which was effected last year. Erection of these docking facilities, which caters to the largest lake vessels, together with the new Welland Canal has enabled Steel Co. to obtain its ore supplies in direct shipment from the Superior ranges instead of by a ship-rail schedule as was the case formerly.

Unloading bridges on this dock were used last year in connection with coal receipts and with the opening of the Welland Canal this season the dock has been able to handle ore as well, with subsequent savings in handling charges. Economies effected in ore handling, however, have been somewhat offset by increased costs at the company's mines resulting from a lower rate of operations.

Earnings Likely Lower

No estimate of earnings during the current year can be hazarded; that they will sink below those of 1930 is only to be expected. Last year net earnings were $3,219,010 a decrease of $1,717,000 from those of the previous year, which with 1928 constituted banner periods. Profits in 1930, however, compared favorably with 1927 and the four previous years.

After all deductions, which included depreciation of $1,204,063, there remained a net profit of $1,741,283. This covered the preferred dividend of $454,741 by a wide margin and left a sum equal to $2.80 a share applicable to the common stock. Dividends of $1.75 a share are paid on both classes of shares.

Has Large Surplus

After payments of dividends there was transferred to surplus $481,542, bringing the total up to $14,502,444. Since ordinary disbursements on the common amount to but $805,000 yearly, it is not surprising that the shares have maintained a fair degree of stability under present conditions.

Implement Houses Find Little Prospect Rapid Inventory Cut

Massey-Harris, With Millions Frozen, Trims Expenses

SOME EASTERN TRADE

But West Will Contribute Few Orders and Not Much Cash on Account

A sounding of business prospects for agricultural implement makers reveals no promise of active sales this fall. Investors are chiefly interested in Massey-Harris, Cockshutt Plow, Waterloo Manufacturing and T. E. Bissell Manufacturing.

An authoritative American forecast points out that across the line, lower sales volume, resulting from impaired farm purchasing power, has necessitated a further downward revision of manufacturers' operating schedules during recent months. Producers, it is pointed out, are giving increased attention to assisting dealers in their efforts to move accumulated inventories and have been moderately successful. Profits of implement manufacturers will show substantial reduction from the levels of a year ago and year-end balance sheets will reveal little headway toward the paring down of excessive accounts receivable.

Situation in Canada

The situation in Canada is little different. The companies have excessively high inventories on hand of practically all types of machinery. They have also excessively high accounts receivable and find that under present conditions they can make little progress in collections.

In six of the nine provinces of Canada there is a modest but steady stream of orders, especially for smaller machinery and spare parts. Eastern Canada is enjoying good crops generally. For instance, wheat at 47 bushels to the acre, flue-cured tobacco at 1,100 pounds to the acre and corn of unprecedented yield are reported in districts not a hundred miles from Toronto. Prices are low but, on the whole, eastern farmers will come through the present year in fair shape. They will be able to pay something on their implement bills and they will also be able to buy spare parts to keep their machinery in trim as well as to buy some new machinery to replace what has worn out in service.

Prospects on Prairies

But on the prairies prospects for new machinery sales are not at all good. A survey made by the Western editor of The Financial Post reveals the prospects to be about as follows.

Prospects for fall sale of implements are extremely small. Outside of the inability of farmers to buy is the fact that crops are not heavy enough, except in isolated districts, to make purchase of new harvesting machinery desirable. The districts hardest hit by the drought are the great open plains of Southern Saskatchewan, where machinery is normally employed on the largest scale and where otherwise the trend toward more and larger machinery to reduce costs of production would be expected. Harvest began early and will apparently continue over a considerable period, making the crop easier and cheaper to take off.

Many tractors are not operating, which gives a new lease of life to

(Continued on page 2, col. 5)

Chamber of Commerce Parties Converging

A large party of Eastern Canada business men leaves Montreal and Toronto this week to attend the convention of the Canadian Chamber of Commerce in Regina Sept. 7 to Sept. 10.

The eastern party will be met by other groups from the Pacific Coast and the Prairies and a preliminary visit will be made to the Northern Manitoba mining camps and Churchill Harbor at the end of steel on the Hudson Bay Railway.

ONTARIO TOBACCO FACES GOOD YEAR, CROP YIELD HIGH

Plantation Company is Beneficiary of Largest Yield

Prospects for the tobacco crop in Norfolk county, Ontario at the moment are such as to make that area a bright spot in the midst of world-wide agricultural gloom. High yields of the finest grade tobacco are promised as harvesting is getting into full swing.

Yields of 1,050 pounds to the acre are reported where the average for good years has been around 700 to 800 pounds to the acre. This is for flue-cured tobacco of good quality, used in the manufacture of fine Canadian and English cigarettes of the type that are marketed under the name of "Virginia."

Price for the current year's crop has not yet been set. The price is usually determined by the bidding of the largest buyer, Imperial Tobacco Company of Canada, which last year erected a leaf factory and warehouse at Simcoe. Recent years have seen an average price of about 35 cents. Growers are hopeful of obtaining approximately the same price especially in view of the fact that the duty on similar tobaccos from Virginia is 40 cents a pound. A factor tending to hold prices in line is that Macdonald Tobacco, the largest independent, is also a buyer of Norfolk county tobacco while an English syndicate which last year purchased a goodly quantity in the district has indicated that its requirements will be much larger this year. Nevertheless some shading of the price is possible.

Investors are interested in the crops in this district through holding of stock in several tobacco plantations, of which Ontario Tobacco Plantations is the best known. This company has $500,000 of its preferred stock widely held. For two years a dividend of 7 per cent per was paid but this was reduced after last year's drought hit crop to four per cent. Ontario Tobacco Plantations controls 1,800 acres of which about 700 acres was in crop this year. The company operates its acreage on a share basis having 21 individual farmers who operate plots around 40 acres each. Ontario Tobacco Plantations supplies the land and machinery and one-half of the fertilizer. The share operator supplies all labor. President of the company is J. F. MacKay, of Toronto.

Order Plants from B. C.

A British Columbia coast firm has secured an order for nursery stock of 15,000 plants from a large firm in Eastern Canada. The order includes ferns, aspidrista, palms, dracenas and crotons.

European Lands Raise Duty on Canada Grain

High Tariffs, Barrier to Our Export Trade in Wheat and Flour, Maintained in Older Countries

Since continental European countries began, mainly in 1929, deliberately to discourage the import of wheat by high tariffs and other restrictive measures, various tariffs and regulations have changed so rapidly that it has been difficult to keep track of them. Sometimes, even, consular representatives in Canada of foreign countries have been quite unable to say what the latest regulations and duties of their countries actually were. The list below represents duties on wheat flour in effect according to latest available information. The extremely heavy duties on flour as opposed to wheat indicates the practical impossibility of shipping Canadian flour into a number of countries at the present time, as opposed to shipping wheat to be ground in the country of importation. A barrel of flour requires approximately 4½ bushels of wheat, but in most cases the duty on flour is at a much higher ratio in comparison with the wheat duty.

The smaller duty in Germany on hard wheat for the manufacture of grits (to be used in macaroni and other alimentary pastes) is a matter of interest. To a considerable extent it accounts for the premium which now prevails in Canadian markets for durum wheat.

	Wheat per bus.	Flour per bbl.
Albania	$1.31	$6.43
Germany	1.62	8.93
This is the duty on bread wheat. Hard wheat for the manufacture of grits is admitted at $1.30 and wheat for the manufacture of starch at $ .75.		
Austria	.55	4.23
Belgium	..	.10
Bulgaria	.45	2.77
Denmark	..	....
Spain	.90	3.60
Import of wheat or flour is forbidden until domestic price of wheat is $1.52 per bushel.		
Estonia	.79	4.29
Irish Free State	..	....
Finland	.69	4.70
France	.86	4.48
Great Britain	..	....
Greece	.55	3.21
Hungary	.35	2.34
Italy	.87	4.07
Latvia	.37	1.72
Lithuania	.82	8.00
Norway	..	....
Imports of wheat or flour only by state grain monopoly.		
Netherlands	..	....
Poland	.76	3.70
Portugal	.98	....
Importation forbidden except when specially authorized to meet determined needs.		
Rumania	.26	2.12
Sweden — Importation only by state grain monopoly.		
Switzerland	.8	.77
These duties apply only when imports are made by government control. Uncontrolled wheat exports are taxed $1.05 extra and flour $3.43.		
Czecho-Slovakia	.46	3.40
Turkey	81.4	4.00
Yugo-Slavia—Importation only by state grain monopoly.		

GYPSUM, LIME SALES LOWER; COSTS ARE CUT

Capital Expenditures Are Made to Reduce Expenses

DIVIDEND OUTLOOK

Benefits of Economies Not Fully Realized During Current Year

From Our Own Correspondent

MONTREAL.—While sales of Gypsum, Lime, and Alabastine, Canada, are reported to be about 18 per cent below those of last year the company is operating profitably and has even strengthened the working capital of $1,614,303 which was shown at the end of last year. During the current year dividends totalling $180,000 have been distributed while an additional $360,000 has been spent on capital account; no further expenditures on property are contemplated at present.

Whether earnings are sufficient to cover the current dividend rate of 80 cents a share has not been disclosed; in view of the decline in constructional activity it is possible that they fall short of requirements since profits in 1930, after all deductions, were equal to but 68 cents a share on the common. Consequently the management may see fit to conserve cash still further in the future; no announcement has been made in this regard.

Effect Cost Savings

Effective savings in operating costs have been made through capital expenditures. Electrification of equipment at Beachville has resulted in substantial reductions in working expenses; it has been anticipated that savings of 30 cents a ton will be effected through installation of new machinery. On this basis a saving of around $100,000 a year could be made possible. The balance of major expenditures during the current year have been made at the plant of the Standard Lime Co., a property which was acquired in 1929. Further economies are expected to result from these expenditures.

With the exception of some of the smaller lime companies owned by Gypsum, Lime, all units are operating. It has been found more satisfactory to close up some of the small lime plants and concentrate production in the larger units. Gypsum plants are all active.

Export Gets Setback

Export business of Gypsum, Lime has been encouraging during the current year though recent unsettlement in Great Britain has had somewhat disturbing effect on shipments to that country. It is felt, however, by those in close touch with the company that the greatest problems in the export business have been solved and that business from this source should make steady headway when conditions improve.

It will be remembered that executives of Gypsum, Lime called a conference in England with a view to establishing direct contacts with the building industry in England. The plan proved a successful means of building up business and last year exports were made to 35 different countries.

Western Sales Down

Domestic sales in 1930 showed a drop of 11 per cent as compared with the decrease of around 18 per cent during the current year. While declines in Ontario and Quebec are to be expected it is understood that the western provinces are chiefly responsible for the decrease in sales during the current year.

The drop in construction directly affects Gypsum, Lime, in its wall

(Continued on page 2, col. 5)

Investor's Index

INDUSTRIALS, UTILITIES, ETC.

Asbestos	3	Foundation Co.	9
Anglo-Can. Pap.	10	Gypsum, Lime	1
Atlantic Sugar	3	H. Walker	11
Brazilian Tr.	4	Ham. Bridge	4
Bathurst P. & P.	8	Hinde & Dauch	10
Brantford Rope	5	Hunt's Ltd.	15
Beatty Bros.	4	Imperial Oil	8
Beauharnois	2	Int. H.-Elec.	4
Can. Lt. & P.	9	Int. Pwr. & Pap.	13
Can. Biscuit	3, 9	Lake'o'Woods M.	9
Can. Dredge	13	Minn. St. Paul	5
Can. Foundries	8	Nfld. Lt. & P.	8
Cooksville Co.	3	N. S. Lt. & P.	4
Can. Paving	5	Nfld. Hotel	5
Can. Cement	5	Ott. L. H. & P.	1
Can. Bread	9	Power Corp.	4
Dom. Bridge	5	Page-Hersey	3
Dominion Eng.	9	St. John Dry Dk.	16
Dom. Motors	1	Steel of Can.	1
Dom. Steel	5	Stk. Ex. Bldg.	9
Disher Steel	11	Traders Finance	5
Det. & Can. Tun.	1	W'peg Electric	9
Det. Int. Bridge	1	Western Steel	9
Dom. Woollens	3	W'minster Paper	10

MINES AND OILS

Bidgood	15	McIntyre	15
Dome Mines	15	Pioneer Gold	15
Granada Gold	15	Snowflake Min.	15
Howey Gold	15	Wright-Harg.	16
Macassa	15	Yankee Girl	15

QUOTATIONS

Bonds	12, 13	Mines	13
Grain	12	Stocks	12

REGULAR DEPARTMENTS

Answers to Enquiries ... 9
Business ... 7
Banking ... 14
Editorials ... 6
Insurance ... 14
Mining ... 15
Pulp & Paper ... 10
Utilities & Transportation ... 4

SPECIAL FEATURES

Automotive Supplement ... 17-20
Stock Market Leaders of Tomorrow—Article 8 of a Series—Page-Hersey. ... 3

You can't wear out the style!

of a
BROCK
HATS by WOLTHAUSEN, BROCKVILLE
Hatter to gentlemen for over half a century 34

Hollywood
SEAMLESS CROTCH
SWIM SUITS
A REGENT PRODUCT

Build New Box Plant

The Wilson Box and Lumber Company at Saint John is celebrating its twenty-first year by inaugurating a new plant for the manufacture of corrugated and fibre-board boxes. Heavy machinery of modern type has been installed and the new plant is in operation.

MARGIN

A GOOD margin is a fine thing in your brokerage account, but in a shirt . . .

The RIGHT margin in a shirt and collar is one of the things that distinguishes EATON custom-made shirts. There's enough snugness for smartness, enough freedom for comfort; sleeve length, body size, number of buttons, are just as you would have them. That's because custom-made shirts are tailored to your individual measurements.

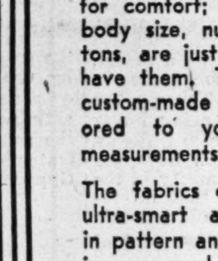
The fabrics of course, are ultra-smart and distinctive in pattern and weave; pricings are moderate consistent with high quality.

The new English and French cloths have arrived for Autumn. You'll like them.

EATON'S
MAIN FLOOR - QUEEN STREET

T. EATON C°. LIMITED
CANADA

HOW TO INVEST FOR PROFIT



GOOD VALUE
FOR ONE DOLLAR

Here is a book on the fundamentals of investing written from the Canadian standpoint.
It deals with stocks; how to select them; how to judge their value; how to buy them; dealing with stock brokers, etc.
It deals with bonds; what they are; how they can be judged; how to buy them; how to sell them.
It discusses problems of different types of investors and what they should choose.
There is also valuable information on investment terms, table of stocks, yields, table of bond interests, stock exchange commission rates, etc.

"How to Invest for Profit" is printed in clear type on the best quality book paper and is bound in cloth. The price —$1.00.

THE FINANCIAL POST,
153 University Ave.,
Toronto.
Please enter my name to receive:
☐ How to Invest for Profit—$1.00 a copy.
☐ The Financial Post—$5.00 a year (52 issues).
Enclosed is $..................in payment.
Name ....
Address ....
773

Further Action In Beauharnois Expected Soon

From Our Own Correspondent

MONTREAL.—Conclusion of the Quebec provincial elections and the return of the Taschereau government has paved the way for an early start in clearing up the situation surrounding Beauharnois Power Corp. Announcement of future plans and the issuance of the operating company's first mortgage bonds may be looked for in the near future.

It is expected that a strong syndicate will be formed to handle the issue which will provide funds for the continuance of operations; at present a syndicate of banks is advancing money for current requirements. Over 3,500 men are employed in construction work at Beauharnois.

While the Holt group, representing Montreal Power are standing by it is stated that Power Corp. of Canada is also watching the situation closely. No mention has yet been made regarding a change in control though it is assumed that those presently holding management shares will eventually reliquish them.

NATION'S BUSINESS

(Continued from page 1)

and civil service salaries being cut off. Radical leaders will have full opportunity to arouse discontent in the Old Country in the next few years. The British government, by a policy of public spending, set out to relieve rather than end unemployment. They brought the country to the brink of ruin. But it is easier to open up the stopcocks of the public treasury than to close them. Let us hope that public good sense and courageous statesmanship may be found in Canada to save us from a similar conflict.

* * *

A GREAT British banker, Sir Robert Horne, recently set down two essential truths Britain must recognize to find national solvency. First is the ruthless curtailment of government costs with the restriction of all expenditure to what the nation can afford. The second, is a tariff that will restrict importations of foreign goods and help, by a reduction in the nation's expenditures, to reduce the cost or production at home so that British manufacturers can once more regain their foreign markets. Although the outward signs have not been numerous, Britain has been inevitably drifting into the ultimate adoption of these policies and it may be that the coalition or, as Prime Minister MacDonald prefers to call it, the "government of individuals," has brought them closer.

GAS ADVANCES COME IN WAKE OF OIL ORGY

(Continued from page 1)

time section 20 to the south, is next in line for the honors of production, but here about 15 wells have been drilled. If the Royalite No. 4 can be taken as a typical case, the indications are that one well in section 20 would have given about the same production and saved a drilling expense of close to $200,000 per well.

There is a close analysis between production conditions in Turner Valley and in Oklahoma and Texas fields. Both have undergone an orgy of drilling that was not in the economic interest of the areas. Many of the operations were by men inexperienced in the oil business, who by the lure of sudden wealth in promotional enterprises, secured leases and started drilling without any thought or care as to the economics of the programme. Investors in these enterprises are today realizing that the hoped for sudden wealth has vanished and the industry is weakend on account of irresponsible operators.

DETROIT AND WINDSOR CROSS-RIVER TRANSIT MAY SEE BIG MERGE

(Continued from page 1)

so long as they can earn operating expenses. The depreciation on equipment is moderate and, besides, there is no favorable market for the disposal of the steamers in the event of it being found desirable to sell them.

There was a pressing need for an improvement in transportation facilities across the Detroit River at Windsor. The ferries could not take care of the available traffic. But it now is evident to all concerned that there was no possibility of both bridge and tunnel in the early stages earning sufficient to take care of the heavy capital charges.

The business depression coming after the greater facilities were provided and before either company had time to consolidate its financial position, was a bit of bad luck which was not foreseen. The business depression has been especially severe in the Detroit area and the immense influence which the labor element has with the United States government authorities has resulted in regulations which have reduced, to a greater degree than would have been the case otherwise, the amount of commuter traffic across the boundary.

Such commutation traffic as remains largely has remained loyal to the ferries because of the lower charges. The tunnel company, it is understood, was relying on getting the bulk of this business and for this purpose purchased a number of buses for transportation between Detroit and Windsor. The charge on the bus is ten cents and the trip is made expeditiously and comfortably. The ferry trip, while slower and not quite so convenient, costs less than half as much.

It is believed that the ferries could reduce their charges still further. It is pointed out that the ferry between Buffalo and Fort Erie continues to operate, on a charge on the bus is ten cents and pite the greater convenience of the Peace Bridge. The Peace Bridge, it may be noted, is profitable, but its only competition nearer than Niagara Falls is a ferry line of two steamers. Moreover, the capital charge of the Peace Bridge is less than $4,500,000, contrasted with $20,000,000 for the Ambassador Bridge and $17,000,000 for the Windsor tunnel.

Ferry Rates Reduced

The Detroit ferry companies reduced rates just prior to the opening of the tunnel and the bridge and tunnel companies have partially met this situation by selling books of tickets which enable motorists to use these facilities at 25 cents per trip. The minimum charge per car contemplated in the estimates of earnings was 50 cents.

In 1928, the ferry between Detroit and Windsor carried approximately 14,500,000 foot passengers. This year, the ferry and tunnel combined will carry less than 7,000,000 foot passengers. The Ambassador Bridge did not expect to get many foot passengers but it was believed that there would be a good bus business. The exact figures are not available but it is understood that there has been a decline in bus and foot passengers this year of nearly 70 per cent, compared with the figures for 1930.

Bridge vs. Tunnel

The decline in the vehicle business has not been so pronounced. It is believed, however, that the bridge is not carrying more than 60 per cent of the number of vehicles it carried a year ago at this season. It is thought that the tunnel vehicular traffic also is about 40 per cent of the estimates made prior to the tunnel opening last November. The number of extra passengers (that is, passengers other than the drivers) has not declined in quite the same proportion as the number of cars.

Bridge V.S. Tunnel

In the Border cities and to a lesser extent in Detroit the argument is still heard as to whether the bridge or the tunnel has the better prospects of ultimate success. The points of difference are that the bridge can take a greater peak load in view of the fact that five lanes of moving vehicles are practicable, while in the tunnel, while there is room for three lanes, only two lanes are practicable. Those who believe in the tunnel proposition point out that the tunnel, as its terminals are in the downtown sections of Windsor and Detroit, is likely to have a greater proportion of the year-around business. It is yet to be demonstrated whether or not the terminal facilities provided for the tunnel are adequate. The bridge terminals are much more comprehensive. Both projects are dependent in some measure on the facility with which the customs and immigration authorities on both sides of the river get through their work.

In view of the business depression and the accentuated immigration restrictions (and such restrictons once instituted seldom are materially modified) it is beyond the realm of probability that either project will become profitable within the next few years. Business must improve greatly, and traffic grow beyond the peaks of 1929 and other boom years, before either of these enterprises will be on a sound financial footing.

There is, roughly, $40,000,000 invested in cross-river transportation facilities at Detroit and Windsor. At 50 cents per vehicle it is apparent that the crossing must total 4,800,000 cars annually to take care of interest at 6 per cent. Probably another 4,800,000 cars annually would be needed to take care of operating costs, taxes depreciation and profits for shareholders. Thus the minimum number of cars, (or the equivalent in bus passengers, pedestrians or extra passengers in cars) required to put the projects on a paying basis, would be 9,600,000 cars. In fact, one authority estimates that 11,000,000 cars will be required in view of the fact that, to compete with the ferries, bridge and tunnel, have had to institute a commutation rate of 25 cents per car.

Some Growth Last Year

The greatest number of cars ever to cross the Detroit River in any year was 1930, when the total was something like 3,500,000. This is far short of the requisite number, but it was encouraging that there was an increase in a depression year. The fact demonstrated that to a certain extent the volume of traffic is dependent on the facilities provided for that traffic.

Reorganization of the Detroit International Bridge Co. is not probable, at least in the near future. There have been committees named to represent bond and debenture holders. These committees have been in close touch with the management and are understood to hold the opinion that the present management has effected as many operating economies as are practicable. A reorganization scheme hardly would be practicable until such times as general business conditions improve to the point where an accurate estimate can be made of revenue possibilities.

The tunnel company also is understood to have been striving to effect economies in operation. Some success has been attained. There are not, of course, any bondholders' committees as yet with respect to this company.

SPECIALIST—
INDUSTRIAL DEVELOPMENT AND SITES

Canadian of international experience, lived in U. S. A. studying psychological and industrial trend in relationship Canadian business. Thoroughly experienced in diplomatic negotiation of higher order, publicity, industrial properties. Have given special consideration Canadian Power Companies development and realtors desiring to establish industrial department. Have established numerous industrial plants in Canada. Services available for permanent salaried position.

Box 286, The Financial Post, Toronto

In London, England

Our clients visiting England are requested to make use of our London office, located at 108 Old Broad St., E.C. 2, for their banking requirements abroad as well as a forwarding address for mail, and for business information.

THE BANK OF NOVA SCOTIA
Established 1832
Capital, $12,000,000. Reserve, $24,000,000
Total Assets over $265,000,000

GYPSUM, LIME SALES LOWER; COSTS ARE CUT

(Continued from page 1)

board and general building divisions while lime production is affected more by industrial conditions. Industrial lime is used in sugar, steel, glass and leather industries as well as in the manufacture of sand-lime brick. In 1930 sales of lime showed a material decline; further weakness in the steel and glass industries during 1931 have not been conductive to improvement.

At the present time the balance sheet position of the company is stated to be satisfactory. No bank loans are outstanding, and a strong liquid position has been maintained; current assets at the end of 1930 were more than 4 times current liabilities.

The only securities of Gypsum, Lime, outstanding are the $3,869,828 of 5½ per cent first mortgage bonds and 450,876 shares of no par value common stock. There was, however, at the end of 1930, $600,000 of Standard Lime Co., 6 per cent bonds and a mortgage of $82,000 outstanding of Crystalite Products which were assumed by the parent company when it acquired these properties.

Net Earnings Fell

Net earnings showed a sharp drop last year at $798,382 as compared with $1,315,315 in the previous year. Dividends, after all charges, were paid to the extent of $1.32½ a share. Since earnings were equal to but 68 cents a share, there remained a deficit of $285,939 on the year's operations.

At the beginning of 1931 the disbursement on the common was reduced from an annual rate of $1.50 a share to the present basis of 80 cents at which rate the sum of $360,700 is required to cover annual dividend needs. Whether operating economies effected will offset the decline in sales during the year remains to be seen; it seems likely that it will not, be until next year that full benefits of plant expenditure will find reflection in earnings.

IMPLEMENT CO'S. FIND LITTLE PROSPECT RAPID INVENTORY CUT

(Continued from page 1)

old horse-drawn implements which might otherwise have been abandoned. Where crops are good, in the northern areas, the efforts of farmers with any spare cash is more likely to be devoted to increasing livestock operations than to expanding investments in machinery. Much old machinery, which might have been abandoned in a good year, can be made to serve when crops are short and time is available. In many places, crops are stacked to await a chance to use the nearest threshing machine.

Collection prospects, The Post's Western editor reports, are very slim. Areas with the most machinery will have no money at all. Where money is available, living expenses for the family will be the first consideration, then bank loans, taxes and mortgage interest. The situation does not preclude some scattered sales, particularly of haying machinery in favored districts, nor some collections. But out of seventy to eighty millions, which the farmers may realize for their cash crops, it is improbable that the machinery companies will receive more than one million.

Prices are Maintained

The American review, quoted above, pointed out that across the border there has been no general price reduction in prices of farm implements. This survey, prepared by Standard Trade and Statistics, New York, points out that such concessions as have taken place in agricultural machinery prices during recent months have been in the form of concealed reductions. The only lines thus affected are those which will be replaced with improved models within the early future. These price cuts have been effected by means of liberal trade-in allowances. Regular list prices, as a general rule, have been maintained throughout the industry.

It is doubtful, Standard Statistics says, that these concessions from established price lists through such expedients as trade-in deals or the acceptance of farm commodities at higher than market quotations will stimulate demand to any considerable degree. The margin between values for farm machinery and farm products has widened steadily during the past two years. This factor, in itself, undoubtedly has been responsible for some portion of the decline in aggregate demand. Any prolonged continuation of present low sales volume would of necessity be met by price adjustments sufficient to restore demand to levels permitting quantity production.

There is little evidence of concerted price reduction by Canadian implement manufacturers. Rather they have tended to maintain prices. When the last tariff revision affecting farm implements went through assurance was given that implement prices would not be raised and this promise has been kept. But price reduction has been avoided, probably on two grounds; first, that present inventories are so high that a general price reduction would involve a further scaling down of surplus accounts and, second, that farm purchasing power, being so low that implement buying is out of the question for many farmers anyway, price reductions would be thoroughly ineffective in stimulating trade.

But while prices have tended to remain unchanged the lack of comment is largely because farmers have not been buying. One Western view may be summarized this way:

As farmers are in the market to so small an extent the question of prices is not important just yet, but reductions will be looked for when buying is resumed, and if it appears that the tariff prevents prices dropping proportionately with the United States or in other countries competing with Canada in wheat raising, agitation against the tariff and resentment against manufacturers might again become very pronounced. On the other hand, an indication of the ability of Canadian manufacturers to help Western farmers get their costs of production down in order to compete with rest of world might be developed into an important goodwill factor.

Fewer Credit Sales

While the companies will restrict credit sales much more than in the past, it is expected that credit is still to be extended in certain districts and to a limited number of farmers, where the risk seems reasonably good and sales would otherwise be impossible. It is not regarded as desirable either that credit be as unrestricted as formerly or that credit-selling be abandoned.

Wheat production is more and more a matter of the efficient use of machinery and continued wheat growing means heavy purchases in future. But better grain prices and at least another crop are necessary before purchases can be made on any substantial scale by Western Canada at least.

Interest in Massey-Harris

Investment interest naturally continues to centre in Massey-Harris, which is the largest of Canada's implement manufacturers as well as the largest in the British Empire. Under the new management of T. A. Russell, as president, and B. W. Burtsell, as general manager, Massey-Harris is going through a process of reorganization and pruning such as few companies have ever had to face. The new heads of the company are doing no talking and only meagre information trickles out of headquarters. But some facts are known about Massey-Harris. The company is doing little actual manufacturing, although it has remodelled some of the machines it has in stock in accordance with ideas developed in farm use. Inventories are being slowly reduced and collections are being stimulated where possible. Liquid position is gradually improving and bank loans are not likely to be shown at the 1930 figure of $8,000,000 when the 1931 report comes out. Expenses have been trimmed in every department.

Those who are close to Massey-Harris now feel that the company is in better position than it was following the 1923 agricultural depression, at least in better position to come back when world conditions improve. The company sells in over 50 countries and agricultural depression is world-wide.

Comparison With 1924

In this connection comparison may be made between the working capital position of the company at the end of 1924 and at the end of 1930. Current assets increased from $27,700,000 to $52,700,000 and current liabilities from $8,800,000 to $11,700,000. Thus net working capital increased from $18,900,000 to $41,000,000. The ratio of current assets to current liabilities improved from 3.15—1 to 4.52—1. The increase in working capital alone is sufficient to cover the new bond issue and preferred stock issue that have been created, without any allowance for the enormous expenditures in new plants.

Last annual statement of Massey-Harris which had been subjected to a drastic writing down of inventories and accounts receivable showed the company's net worth per share to be $35.02, while the net current assets alone, after setting aside a sum sufficient to pay off all bonds outstanding and after allowing for $12,000,000 of preferred shares at 125 amounted to about $25 per share. These current assets included, of course, inventories of nearly $22,000,000 and accounts receivable of $29,000,000 (including those in Australia) and only time will reveal at what figure the inventories can finally be liquidated and what percentage of accounts receivable will be collected. Massey-Harris's problem, with the stock selling at $4 a share, is not the water in the company but the ice—$50,000,000 of it.

It is known that some investors, who have made money out of Massey-Harris in the past, have recently reinvested in the company, taking a strictly long-pull position, of course.

Returning this week from a European tour, covering the company's factories and sales agencies on the continent, T. A. Russell, president, has little to communicate this week. He was quoted as saying: "Generally speaking, crops in Europe are good this year, although when I left certain sections were having difficulty in harvesting due to excessive rain.

"Conditions generally were difficult and the volume of business in all lines greatly below normal. The same conditions which tend to slow business in Canada are operating throughout Europe, but, in addition, they have to contend with obstacles which are practically unknown to us.

"The business of the Massey-Harris Company has suffered under these conditions, and the turnover will be much below normal. The company's European factories are, however, making headway and are giving considerable attention to certain alterations in our line of machinery, which will make the product more acceptable for agricultural conditions in Europe, which are in many respects different from those in the United States and Canada."

During his tour Mr. Russell visited the Massey-Harris factories at Lille, in France, and at Cologne, in Germany, as well as the branch houses and sales organizations for the company in the greater part of Europe. It may be noted as indicating the wide extent of the operations of the Massey-Harris Company that the president's trip included no less than ten countries.

Strong Liquid Assets

THROUGH the recent period of depression the traditionally strong liquid position of the Bank of Montreal has been maintained, and this without curtailing the Bank's ability to meet the requirements of customers.

In good times and bad, for generation after generation, the Bank of Montreal has been an important factor in maintaining Canada's financial stability.

BANK OF MONTREAL
Established 1817
TOTAL ASSETS IN EXCESS OF $750,000,000

New Brock Hats *for Fall*
in all the smartest shades
$5 to $10

"THE STORE FOR MEN" STREET FLOOR
THE ROBERT SIMPSON COMPANY LIMITED

Public Utilities

PUBLIC utility first mortgage bonds are unexcelled for stability of earning power combined with fair yield.

We recommend and offer:

	Due	Price	Yield
British Columbia Power, 5%	1960	97.50	5.16%
Montreal Island Power, 5½%	1957	101.00	5.42%
Gatineau Power, 5%	1956	91.35	5.65%
Maclaren Quebec Power, 5½%	1961	93.90	5.90%
National Light & Power, 6%	1949	100.00	6.00%

Prices are "plus interest and tax".

Full information on request.

Write for our complete list of investment offerings.

McLEOD, YOUNG, WEIR & CO.
LIMITED
METROPOLITAN BUILDING, TORONTO
Montreal Ottawa Hamilton London

Be careful when investing

Get dependable information in regard to your contemplated investments.

The manager of our nearest branch can secure complete and valuable information for you through the Bond Department of this Bank. It is operated solely to give helpful investment service to the bank's customers.

THE DOMINION BANK
Established 1871
50 BRANCHES IN TORONTO

Ask the local manager about a safety deposit box. The protection is worth many times the rental.

CANADA BISCUIT SHOW INCREASE IN NET EARNINGS

Small Gain Noted Despite Lower Volume of Sales

The recent venture of Canada Biscuit Company, through its London, Ont., subsidiary, O. S. Perrin & Company, into the ice cream cone business is an evidence of the attempt being made by the company to broaden its line of products. It is understood that the company has in mind a number of other specialties.

The ice cream cones will be manufactured by new patented machinery for which Canada Biscuit Company controls the Canadian rights. No large investment is being made by the company in the new venture as the machines are operated on a profit-sharing lease basis. It is understood that the manufacture of ice cream cones will probably be undertaken by the company at most of its plants throughout Canada.

Profits Are Better

Profits of Canada Biscuit Company for the current year have shown a slight increase over those of last year, although sales are down, chiefly due to conditions in Western Canada. Sales in Eastern Canada have been well maintained and in some areas have shown an increase. Lower costs of doing business have permitted a slight increase in profits despite the lower level of business.

The company has further reduced its total of bonds outstanding and The Financial Post understands that these now stand at less than $1,900,000.

Formed as Merger

Canada Biscuit Company was formed in 1925 as a merger of four nationally known biscuit companies and later two others were added. Bonds to a total of $2,200,000 were offered. Although the circulars offering the issue showed good earning power for the years immediately preceding the merger this earning power has not been demonstrated in any year since the bonds were sold to the public. Difficulties in the integration of the production and merchandising policies of the company developed and in addition the bond issue required large annual payments for interest and sinking fund requirements which drained the company of a healthy portion of its working capital. Recently the ability of the company to cover its bond interest has stopped the drain of liquid resources.

Competition in the biscuit business has been exceedingly keen and it is this factor that has led the company to a search for new and exclusive specialty products to add to its basic line.

No financial statement has been published since the merger.

FURTHER DENIAL TO ANY CHANGES IN 'LANTIC SUGAR

Toronto Director Refutes Rumor of Charter Amendment

From Our Own Correspondent

MONTREAL. — Reiteration of the denial that Atlantic Sugar Refineries had formulated plans to liquidate arrears of preferred dividends, has been given by P. R. Gardiner, a director of the company. The statement followed a report that it was proposed to acquire 15,000 additional common shares in order to secure an amendment to the company's charter.

This Mr. Gardiner denied, saying there was to be no capital reorganization of the company, as far as Toronto directors were aware. There had been no discussions by the board of the matter of payment of accumulated preferred dividends and finally he referred to the president's statement at the last annual meeting which pointed out that three or four years would likely elapse before action could be taken in this regard.

No Early Declaration

Louis J. Seidensticker, president of the company, stated at the annual meeting held in April that it would be impossible to pay dividends on the stock of the company until such time as provisions of the trust deed were fulfilled. One of these restrictions is that the funded debt must be reduced to $3,000,000 before declaring dividends on the preferred stock.

Shareholders have enquired at various times why the company cannot cancel some of its own bonds held in its treasury, included in the balance sheet under investments, and thereby reduce the outstanding funded debt to less than $3,000,000.

To this Mr. Seidensticker replied that the trust deed did not permit of simple cancellation of these bonds which are held by the company for eventual sale to the trustee for sinking fund purposes.

According to the provisions of the sinking fund, the funded debt of the company will not have been reduced below $3,000,000 until October 1, 1934. The trust deed also stipulates that between 1933 to 1940 inclusive, not less than $400,000 a year will be applied to interest and sinking fund.

Following a sensational rise in the company's common shares, it was announced in April, 1931, that control of Atlantic Sugar had been acquired by a Toronto group, an occurrence which has given rise from time to time to rumors that there will be some change in the capital set-up of the company.

Earnings of Atlantic Sugar in 1930 showed a sharp increase at $1,104,721, and the dividend on the preferred stock, which is not paid, was earned over six times.

Produced-in-Canada Show Planned for Montreal

The third annual national Produced-In-Canada Exhibition is to be held in the Stadium, Montreal, November 2 to 7.

This exhibition is being held by the Produced-In-Canada Association (Quebec), Inc. and is a part of the Produced-In-Canada campaign. This exhibition is said to be the outstanding exhibition in Canada of exclusively Canadian-made products and is the second largest industrial display in the Dominion.

Stock Market Leaders of Tomorrow

Page-Hersey Tubes Offers Striking Contrast to Other Depression-hit Steel Companies Here and Abroad

By GRANT BROWN

ARTICLE EIGHT—PAGE-HERSEY

Page-Hersey takes us once more to the steel industry. In some respects, however, it differs markedly from the other representatives of the steel group.* While there are certain resemblances, e.g., in the dependence on American sources for raw material, in the strategic position of the central plants, in a high reputation for efficient management, and in the strength of liquid resources, Page-Hersey is considerably smaller than Steel of Canada; its business is more highly specialized; and the demand for its products seems to have been less affected by the current depression. It resembles its larger neighbor, however, in its claims to potential market leadership.

Origin and Growth

Page-Hersey really dates from October, 1902, when the Page-Hersey Iron & Tube Co. was incorporated with an authorized capital of $500,000. It began operations at Guelph in the following year with a mill of 30,000 tons yearly capacity making butt-welded steel pipes up to 3 in. diameter. Three years later the company was reorganized as Page-Hersey Iron, Tube & Lead Co. In 1910 the strategic advantages of Welland were recognized by the erection of a 40,000-ton plant there to make lap-welded pipes 2 in. to 10 in. in diameter. In 1911 another plant was built at Welland of 25,000 tons yearly capacity for butt-welded pipe. During the war, difficulties in securing raw material led to the acquisition of an American branch, the Cohoes Rolling Mill—which, by the way, was in operation when Abraham Lincoln was merely an obscure Illinois politician. This plant, located at Cohoes, N.Y., makes wrought-iron skelp (tube strips) for the parent company, besides turning out wrought-iron pipe for the local market. It extended its operations a few years later through the Mohawk Conduit Company which erected a new plant at Cohoes to make steel pipe and conduits for electrical wiring. After some further changes, the company, underwent still another reincarnation, taking its present name, Page-Hersey Tubes Limited (1926) with authorized capital as at present. Thus Page-Hersey has gradually developed from the comparatively small beginnings of 1902-1903 until it has become one of the most important factors in the Canadian steel industry, the acknowledged leader in its specialty, able from its six great furnaces to supply a complete line of tubular steel products in the full merchant range from 12 in. down. During the same period it has developed a considerable export business. Its products have carried the Page-Hersey name and reputation to Japan and China, to Australia and New Zealand, to South America, to Scandinavia and even to England and Scotland.

A scrutiny of the company's products will suggest that its activity and expansion are dependent partly on general construction involving a demand for such products as conduits for electrical wiring, tubular poles and columns, etc., partly on industrial activity, as with coils for heating apparatus, refrigerator plants, drying rooms, soap factories, sugar refineries and general engineering purposes, and so on, and partly on the gas and oil industry with pipe lines for piping oil and gas, seamless well casing from the new plant, etc. The fact that in Canada the construction industry was extremely active until the close of 1929 and has even held up relatively well since no doubt partly accounts for the continued success of Page-Hersey. The probability that any revival in building and in general business activity would mean a higher ratio of operations and of profits seems to justify the expectation that Page-Hersey will one day be found among the market leaders. The impetus given to the natural gas industry points in the same direction.

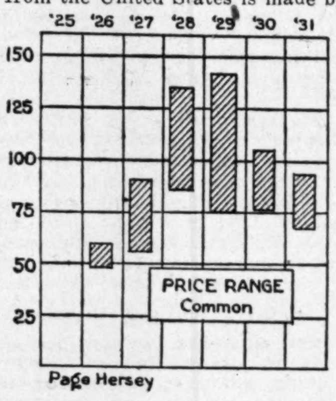
Is Rejuvenated Industry

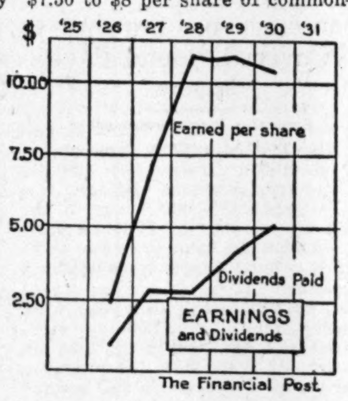
The natural gas industry seems to have taken a new lease of life. The value of natural gas had long been recognized; but until recent years the uncertainty of the supply and the impracticability of long distance piping had checked the growth of the industry. Latterly assured sources of supply along with improvements in piping, especially through the use of welded joints, have led to renewed activity. In the United States, a 900-mile pipe-line to convey natural gas from the Texas fields to the Illinois market is nearing completion. And although in Canada we have no single lines of comparable length as yet, already in Ontario it is estimated that there are altogether nearly 3,500 miles of pipe lines, while two large companies are vigorously searching for new sources of supply with further expansion in view. The production of natural gas in 1930 in Ontario alone was about 8,000,000,000 cu. ft.; and this was less than 30 per cent of the total production of Canada. By far the greatest output came from the wells of Alberta and there the possibilities of growth for the industry seem almost limitless. And all this seems to mean a steadily expanding market for Page-Hersey. At this point a further reference to the new plant may not be out of place.

Crowland Plant

In the annual report for 1929, President Near mentioned the appropriation of $2,000,000 for the erection of a seamless tube mill. He added: "It has been the constant aim of your officials to supply the requirements of the Canadian tubular trade. If this policy is to be continued, a mill of this nature is necessary, as the needs of the Alberta and Saskatchewan oil and gas fields call exclusively for seamless materials." Elsewhere he explained that, so far, well casing had been imported, chiefly from the United States; so that the new plant would mean a new development in Canadian industry. This plant has been built at Crowland, a suburb of Welland, and is now being put through its final tests. It should be in operation early in September. It is a plant of British design and construction, thoroughly modern in type, in fact the first of its kind in America.

The seamless tubing imported from the United States is made by





a different process. The Page-Hersey process is more flexible and better adapted to the needs of the Canadian steel industry, which is always faced by the problem of adjusting a single plant to many different needs.

It should be noted that, while the new plant was built with the possibilities of the oil and gas industry in view, it is so designed that, if the demand for the new products, seamless tubes for well casing and boiler tubes of every sort, should be less than expected, it can be used for the Page-Hersey regular lines. In fact the new plant really means a 20 per increase in capacity for the company, six furnaces in lieu of five. And while this may not mean much at the moment in the way of additional earnings, though production at the new plant will probably help to offset some decline elsewhere, it will add a good deal to the possibilities of operations at capacity. It should be noticed, too, that the new plant has been built without new financing, a further indication of financial strength and prospective leadership.

Financial Strength

A survey of the balance sheet suggests further reasons for regarding Page-Hersey as one of the outstanding Canadian companies. A comparison with 1926, when Dominion incorporation was obtained, reveals some notable changes. One is that the first mortgage bonds formerly totalling $1,000,000 have disappeared altogether. They were called for redemption in December, 1928. Another important change is the practical elimination of some $3,000,000 preferred stock by conversion into common at the rate of two shares of common for one of preferred. Early in August there were only 189 shares of preferred still outstanding. The fact that there is practically nothing ahead of the common stock places the company in a strong position, and naturally does not lessen the attractiveness of the junior shares.

The balance sheet shows $178,000 odd allowed for depreciation —about 5 per cent of the book value of the real estate, buildings, plant, machinery and equipment— "which the directors consider ample for the purpose," and we may accept their verdict.

Perhaps the most striking feature of the 1930 report is the preponderance of liquid assets. Current assets are given as $6,603,675.10 of which almost $892,448.79 is cash and $2,477,481.55 investment bonds. Current liabilities amount only to $482,656.81, of which $214,738.25 consisted of dividends payable January 1. If this amount were deducted both from current assets and from current liabilities, it would give a current ratio on January 1, 1931, of more than 23 to 1, with a net working capital of some six millions, about $35 per share of common stock. An increase of some $470,000 in the merchandise inventory is explained as due to stocking up in order to take advantage of the prevailing low prices of steel products. In spite of this, the increase in working capital over the previous year was some $388,000. Page-Hersey passes the tests of liquidity with high honors.

Most of the other tests, history, management, markets, and supplies have already been dealt with incidentally. As to competition, one can only say that there seems to be no reason why the company should not continue to hold its own. As to the tariff, reasonable protection with some prospect of stability seems to be assured by the fact that the Dunning budget had recognized the claims of the steel industry some months before the Bennett tariff confirmed them.

Mark Record of Stocks

The market history of Page-Hersey passes the test of liquidity present stock was listed in 1926 and opened in the forties. For three years it was carried along partly by the market current and partly by its individual merits until in 1929 it reached a peak of 141. In the meantime dividends had been increased from $3 to $4. Early in 1930 a further increase was made to the present $5 rate. However, although earnings have been remarkably well maintained and although the financial position of the company has continued to improve with the progressive elimination of senior securities and the steady increase in liquid capital, the common stock has been unable to resist the trend of the market. Its high in 1930 was 105 and for the current year to date 92⅞. Last year's earnings were $10.33 per share of common which seems to furnish ample protection for the $5 dividend.

Position and Outlook

Page-Hersey appears likely to provide a notable exception to the dismal records of the great majority of steel companies in the current year. So far earnings have amply covered dividend requirements for the period. While there has been some shrinkage of business in Alberta and in the Maritime Provinces, these are as yet only minor spheres for the company. Business in British Columbia has been fairly well maintained. Export business, in view of general conditions, is not unsatisfactory. In Ontario and Quebec, the company's most important fields, business has been quite as good as could reasonably be expected. During the remainder of the year the company will have some benefit from the new plant. From present earnings and prospects, it seems probable that the current dividend of $5 will be earned at least one and a half times this year, i.e., earnings are likely to run from $7.50 to $8 per share of common—a remarkable record for a steel company under present conditions. If Page-Hersey can make such an excellent showing in years of depression, it seems reasonable to expect that, in time, greater activity in construction, renewed interest in drilling for oil, and vigorous development in the natural gas industry will enable it to operate both old and new plants at something like capacity. In that happy event, its earnings should justify our expectation that it will take its place among market leaders of the future.

*(Steel of Canada discussed in Article Three of the Series)

DOM. WOOLLENS FEELS EFFECTS WOOL DECLINE

Little Improvement Expected in Profits Last Year

From Our Own Correspondent

MONTREAL. — Operations of Dominion Woollens and Worsteds Ltd., are presently being conducted around 50 per cent of capacity, keen competition and lack of buying power having reduced orders. In view of the fact that further cuts in inventory have been necessitated, indications are that the financial statement for the year ended June 30, 1931, will show little improvement if any over that of last year.

Operating profits and other income in the fiscal year ended June 30, 1930, totalled $65,817 as compared with bond interest of $135,000. Depreciation, bank and other interest and provision for bad debts resulted in a deficit of $294,890.

The deficit, however, would have been replaced by a net profit of $67,274 had it not been for the management's decision to write down inventories to replacement value. These were shown in the balance sheet at $1,935,589 as compared with $2,499,880 at the end of the previous fiscal year.

Though operations, on the whole, have been on a better scale this year, due to realization of tariff benefits, further declines in raw wool values together with curtailed buying power on the part of the public, have tended to offset any improvement in plant activity.

During the year spinning mills at Milton and Orillia, formerly idle, were re-opened while several changes were made in operating schedules at different units. Various economies were effected which should find some reflection in the forthcoming financial statement; whether interest on the $2,250,000 of 6 per cent first mortgage bonds will be covered remains to be seen.

Asbestos Corp. Meet Postponed Till Aug. 31

From Our Own Correspondent

MONTREAL. — The meeting of Asbestos Corp. first mortgage bondholders, scheduled to be held last week, did not materialize, since a quorum was lacking and has been postponed until August 31. The meeting of first mortgage bondholders was called as a part of the effort of the corporation management to work out a solution of its present problems.

Holders will be asked to consider a suggestion that they accept the interpretation of the company that bonds deposited with the trust company for sinking fund purposes have ceased to be a liability and that interest is not payable thereon.

In the alternative to this proposal, it is suggested that they approve postponement until January 1, 1932, or otherwise as may be decided at the meeting, payment of interest on the bonds. Similar action is sought in connection with the sinking fund payment due January 1, 1932.

Federated Capital Corp. Under New Management

From Our Own Correspondent

MONTREAL. — Federated Capital Corp. is now being managed by Atlas Utilities Corp., an organization which has recently taken over the management of several investment trusts. It is felt that this change in management should be of benefit to Federated Capital Corp. as the only fee charged by Atlas Utilities would be part of 1 per cent.

Recent advices indicate that the break-up or liquidation value of the trust is now equivalent to par value of the preferred stock. Recent quotations have been around 16 as against a par value of $25.

Distribute Smelters' Fertilizers

In the first half of the current year the Consolidated Mining and Smelting Company turned out 2,500 tons of fertilizers, the bulk of which was shipped to various points in the Praire Provinces.

COOKSVILLE CO. PLANT ACTIVITY ON BETTER SCALE

Earnings Approach Level of Last Year to Date

From Our Own Correspondent

MONTREAL.—Sales and earnings of Cooksville Co. are reported to compare favorably with those of last year to date, despite a drop in business in the first four months of the year. Recent operations have been on a better scale, and have tended to offset declines recorded earlier in the year.

While contraction in building has resulted in reduced business in the company's brick division, diversification of production has been a factor in counter-balancing contraction in brick sales. Directors recently declared the regular quarterly dividend of 1 per cent on the preferred stock, payable September 15 to shareholders of record August 31.

Earned Dividend in 1930

Cooksville Co. reported a net profit applicable to dividends of $86,970 in 1930. The 7 per cent preferred stock is on an annual dividend basis of $4 a share and arrears at December 31, 1930, were 54¾ per cent.

By this curtailment in distribution, however, the company has been able to increase its surplus, which at the end of 1930, amounted to $741,171. This compares with $218,808 at the end of 1926.

Cooksville Co. and its subsidiaries, Interprovincial Brick Co. and Port Credit Brick Ltd., manufactures brick, hollow building tile, concrete blocks and an aggregate known as Haydite used in place of gravel in mixing concrete. This process was further developed last year in the manufacture of a new product known as Haydite Roof Deck, which is reported to have met with a favorable reception by the trade.

A Good Combination

Large enough to serve in any Trust capacity. Not too large for close personal attention to the needs of every client.

Crown Trust Company

William I. Gear - - President
Arthur Lyman - Vice-President
F. G. Daniels - Vice-President
Irving P. Rexford Gen. Manager

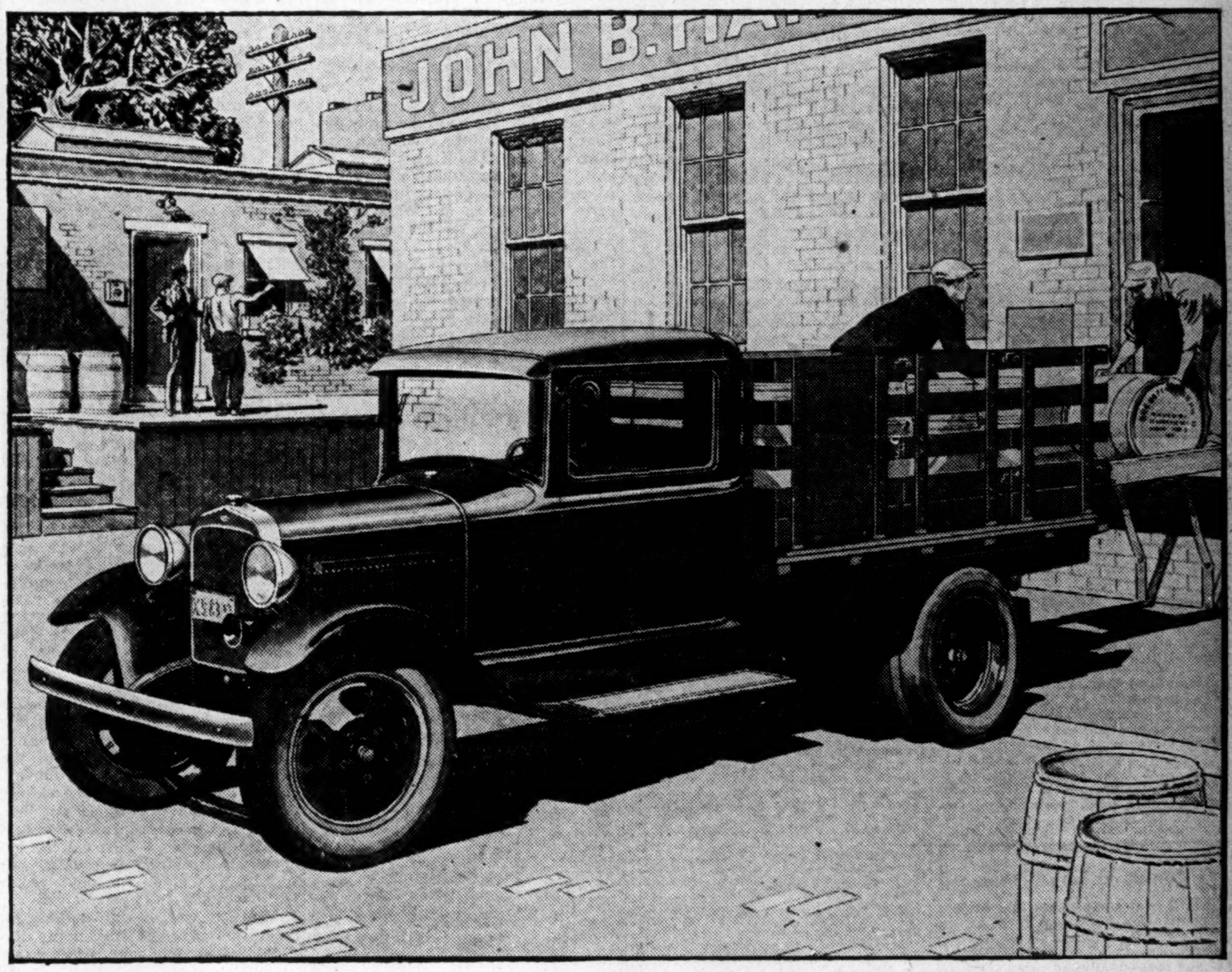
St. James Street • Montreal

1000

FLEETS OF FORD UNITS

★

are reducing transportation-costs of Canadian business



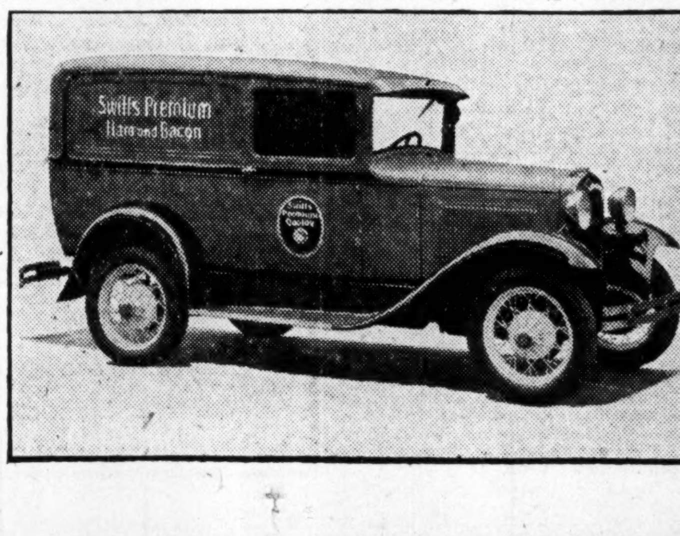
Stake body truck equipped with factory-built closed cab. Wheelbase, 131½ inches

Throughout the breadth of Canada, Ford commercial units are serving every type and kind of business. Logging camps are profiting from their reliable power and strength. Western farmland, with its long hauls over rutted roads, finds the Ford truck a capable, economical worker. On every smooth highway, Ford trucks are speeding goods from producer to consumer, at low cost. And in heavy city traffic, these trucks are helping materially to lower transportation-costs.

Low first cost, and low operating costs

Many thousands of Ford commercial units are owned by operators of one or two trucks. Frequently, these businesses are influenced in their purchase by the low first cost of Ford units. To the fleet-owner, operating five or more trucks, low cost of operation and up-keep is equally as important as low first cost in a truck. Such operators, keeping accurate cost-records, find that the Ford offers speedy, safe, reliable transportation, at minimum cost per mile, over an extended period of time.

De luxe delivery, on the light commercial chassis with 103½-inch wheelbase



Prominent Fleet Owners

There are 1000 businesses in Canada operating fleets of Ford units. One hundred of these operate more than twenty Ford units. Prominent among them are Bell Telephone Company of Canada; Imperial Oil Co., Limited; Imperial Tobacco Co. of Canada; Swift-Canadian Co., Limited; Standard Brands; British American Oil Co., Limited; Canadian Pacific Express; David Spencer Co., Limited; T. H. Estabrooks (Red Rose Tea); Coca Cola Co. of Canada, Limited; Canadian National Railway; Canadian Pacific Railways; Canadian National Express, and Borden Farm Products.

Features of Ford Trucks

One of the most important reasons for the rugged strength and reliable service of the Ford truck is its three-quarter floating spiral bevel gear rear axle. Other features are the sturdy frame, with five strong cross-members; the 4-speed transmission; the large, fully enclosed brakes, 14 inches in diameter on all four wheels; and the torque-tube drive.

The Ford 1½-ton truck is available with a number of standard bodies, while others for every need are available from body-manufacturers. There is a choice of 131½-inch or 157-inch wheelbase, 6.6 or 5.14 rear-axle gear-ratios, and single or dual rear wheels.

In addition, there is the light commercial car, with four factory-built bodies, and a wide range available from body-manufacturers, which meets every light-hauling need.

Go to your Ford dealer and let him demonstrate the type of Ford truck or commercial car which meets the requirements of your business.

Ford

"THE CANADIAN TRUCK"

Utilities and Transportation

INTERNAT. HYDRO EARNINGS EQUAL $3.39 ON CLASS 'A'

Water Conditions Now Reported to be Satisfactory

From Our Own Correspondent

MONTREAL. — International Hydro-Electric System, a division of International Paper and Power Co., reported a higher gross and lower net applicable to the class "A" stock in the second quarter of this year. For the year ended June 30, 1931, the balance of earnings, before dividends on the class "A" stock, amounted to $3.39 a share on the average number of shares outstanding during the period. This compares with $3.61 a share in the 12 months ended March 31.

In his comments to shareholders, Archibald R. Graustein, president of the company, states that domestic and lighting revenues have continued to increase but this improvement has been more than offset by lower consumption of power by New England industrial concerns. Water conditions since the spring have been satisfactory and earnings available for class "A" priority dividends in the second quarter of this year were only about $125,000 less than for the corresponding period of 1930. This compares with a decline of $500,000 for the first quarter, a factor which was due largely to poor water conditions.

Gross Revenue Higher

Gross revenue for the second quarter of 1931 was $12,378,540, an increase of $215,420 over the same period of 1930. Gross in the first quarter of this year, was $12,999,275. The decline between first and second quarter earnings for this year, which is largely seasonal, was less than usual since earnings in the first quarter were adversely affected by poor water conditions.

After all prior charges and dividends on the preferred stock, consolidated earnings in the second quarter of this year available for dividend on the class "A" stock of the system were $497,647, compared with $622,368 in the second quarter of 1930, and $604,384 in the first quarter of this year.

Twelve Months Revenue

In the twelve months ended June 30, gross revenue was $50,673,960, compared with $49,808,828 in the preceding twelve months period. Consolidated earnings available for dividends on the class "A" stock were $2,795,930, compared with $3,351,203 in the preceding year.

International Hydro-Electric System has acquired North Boston Lighting properties which serve cities and towns with a population of about $500,000 in a highly industrialized section of Northern Massachusetts, contiguous to areas served by New England Power Association. It is anticipated that combined operation of the two properties will lead to increased earning power for International Hydro Electric System, in addition to giving improved service to the public.

Comparative Figures

Following are figures covering the second quarter ended June 30, 1931, and twelve months ended June 30 in the past two years:

	1931 $	1930 $
Quarter Ended June 30		
Gross rev. (inc. other income)	12,378,540	12,163,120
*Net rev.	7,336,013	6,926,445
Bal. for div.	622,599	739,010
Div. on pfd.	124,952	116,642
Div. class "A"	423,034	394,717
Net to surplus	74,613	227,651
Twelve Months Ended June 30		
Gross rev. (inc. other income)	50,673,960	49,808,828
*Net rev.	28,923,527	27,578,698
Bal. for div.	3,296,542	3,467,844
Div. on pfd.	500,612	116,642
Div. class "A"	1,651,273	1,443,117
Net to surplus	1,144,657	1,908,085

*Before interest, depreciation, dividends and amounts applicable to minority stocks of subsidiaries, etc.

Hamilton Population Grows

The population of Hamilton, as shown by the preliminary count of the returns of the census, is now 154,914, an increase of 40,763 in the decade, or 35.1 per cent. It is pointed out by E. P. Healey, managing secretary of the Chamber of Commerce, that Hamilton leads the cities of Ontario in her percentage increase.

Municipal Bond News

FOR over forty years this organization has been devoting its efforts exclusively to the publication of accurate State and municipal bond news. Not "flash" items or rumors, but carefully prepared news covering all the technical requirements of the municipal market have been responsible for its recognition as "The Authority on Municipal Bonds" It is, therefore, the logical medium for municipal bond sale advertising.

Daily and Weekly Editions.

THE BOND BUYER
Since 1891
"The Authority on Municipal Bonds"
67 Pearl Street New York, N.Y.

COST

OF A CHEMIST'S SERVICES IS VERY SMALL IN COMPARISON WITH THE VALUE TO BE DERIVED FROM HIS WORK. IT'S AN INVESTMENT THAT YIELDS A DIRECT AND INDIRECT RETURN.

MILTON HERSEY COMPANY, LIMITED
Industrial Chemists and Engineers
MONTREAL-WINNIPEG

Tramway Passengers On Canadian Systems Declined 5% in 1930

Street Cars Not Absolved from Current Depression

NET REVENUES DOWN

N. S. Light and Power Only Road to Show Increase in Passengers

From Our Own Correspondent

MONTREAL. — Despite the incredulity of confirmed strap-hangers, street cars in Canada carried 44,028,358 less passengers in 1930 than they did in 1929. Perhaps the average street car rider will scarcely have noticed the difference; he may feel more inclined to believe, if he travels in rush hours, that the street railways in Canada carried a total of 792,701,493 passengers last year.

This figure, however, was 5.3 per cent below the number carried in 1929, indicating that fewer housewives went "down town"; fewer men went to work each morning and fewer families spent money on street car travel. In short the street railway business felt the depression like all other industries.

Covers 53 Systems

Out of 53 railways, 13 failed to earn their operating expenses, as compared with 9 in the previous year; 22 roads showed a deficit after paying taxes and other deductions from income, according to a preliminary report issued by the Dominion Bureau of Statistics. On the other hand, 5 systems showed an increase in earnings, while 7 street railways disbursed $3,402,261 in dividends as compared with $3,325,248 in the previous year.

The problem faced by transportation companies in maintaining service in face of declining revenue is illustrated by the recently published government figures. For instance, despite the fact that the number of passengers declined by over 44,000,000, the number of street car employees was lower by only 460 at 18,340. Again, gross revenues fell from $58,268,980 to $54,719,259 but salaries and wages were only $29,117 lower at $26,954,994.

Operating Revenues Drop

Total operating expenses of street railways totalled $39,125,515, a decrease of $979,625 from the previous year. Net operating revenue, on the other hand, dropped from $18,183,840 to $15,593,744.

Montreal Tramways and Toronto Transportation Commission, the largest street railway systems in Canada, carried 56.6 per cent of the total passengers in 1930. Of the two, Montreal was the heavier sufferer as its passenger total declined 4.6 per cent to 245,187,504, while Toronto showed a drop of 1.5 per cent at 203,680,501. Though the two systems carried over half the passengers in Canada, their combined decreases amounted to only 34 per cent of the total decrease.

Winnipeg Recorded Decline

Of the Big Four, which includes Winnipeg and British Columbia electric railways, the Winnipeg system showed the biggest drop with passenger figures off 11.8 per cent at 53,997,401. B.C. Electric Railway had a decline of 2.8 per cent in passengers compared with the previous year, while the two systems carried 16.3 per cent of the total number of passengers in Canada.

Nova Scotia Light and Power Co. provided a notable exception in electric railways which carried 10,000,000 passengers or more in 1930. It was the only tram system to record an increase during the year; passengers increasing by 1,465,963 over 1929 for a gain of 13.5 per cent.

Essex Division Suffers

The heaviest decline in systems in the 10,000,000 passenger category was recorded by the Essex Division of the Hydro Electric Railways in Ontario, which showed a decrease of 20.4 per cent. There are twelve systems in Canada in this senior division and they showed a reduction of 33,050,439 passengers or 4.4 per cent.

There were 15 railways carrying between two and ten million passengers each and they showed a decrease of 8.7 per cent in the number of passengers carried in 1930. The remaining 26 railways, which carried only 2.2 per cent of the total traffic, showed a decrease of 23.5 per cent and six of them ceased operating during the year.

Some Cease Activity

The Chatham, Wallaceburg and Lake Erie, which had partially ceased operations in the previous year, ceased all operation on March 1, 1930. The Kingston, Portsmouth and Cataraqui Railway had a serious fire, destroying practically all its rolling stock and it also ceased operation on March 1. The Niagara, Welland and Lake Erie, the Toronto Radial, operated by the Toronto Transportation Commission, also ceased working while the Pictou County Electric Co. substituted buses for electric cars and removed their tracks. The Calais Street Railway did not operate during the year.

With some small increases, the net decrease in track mileage was 130 miles, which was the largest mileage withdrawn in any year. Freight carried in 1930 by street railways totalled 2,873,528 tons, as compared with 3,662,765 tons in 1929.

Comparison of Figures

Following is a comparison of figures for the past two years:

ELECTRIC RAILWAY PASSENGER TRAFFIC

	Passengers Carried 1930	Decrease in Passengers Carried 1930 from 1929 No.	%
Montreal Tramways	245,187,504	11,818,076	4.6
Toronto Transportation Commission	203,680,501	3,142,337	1.5
British Columbia Electric	75,315,797	2,146,391	2.8
Winnipeg Electric	53,997,401	7,241,333	11.8
Ottawa Electric	28,599,564	1,882,456	6.2
Hamilton Street	23,083,975	1,781,593	7.2
Quebec Railway, Light and Power Co.	19,593,742	577,644	2.9
Calgary Municipal	15,883,358	1,431,224	8.3
Hydro-Electric Railway (Essex District)	13,399,281	3,424,157	20.4
Edmonton Radial	13,712,693	410,989	2.9
London Street	11,191,326	660,193	5.6
Nova Scotia Light and Power Co.	12,324,410	*1,465,963	*13.5
Total	715,969,552	33,050,439	4.4
New Brunswick Power Co.	6,874,924	192,393	2.7
Regina Municipal	5,946,184	565,244	8.7
Township of York and Town of Weston	6,129,617	241,057	3.8
Saskatoon Municipal	5,957,943	375,495	5.9
Niagara, St. Catharines and Toronto	5,192,112	767,798	12.9
Hull Electric	4,382,428	247,618	5.4
Three Rivers Traction	2,561,701	845,608	24.8
Montreal and Southern Counties	3,185,682	122,277	3.8
Kitchener Public Utilities	2,936,181	355,254	10.8
Cape Breton Electric	2,501,331	770,271	23.5
Suburban Rapid Transit	2,982,244	222,535	7.0
Port Arthur Civic	3,043,062	152,734	4.8
Fort William Street	2,814,248	301,766	9.7
Brantford Municipal	2,483,478	381,076	13.3
Levis Tramways	2,555,130	164,960	6.0
Total	59,546,265	5,706,086	8.7
Other 26 systems	17,185,676	5,271,833	23.5
Grand Total	792,701,493	44,028,358	5.3

*Increase.

N. S. Power Seeks To Consolidate Units

From Our Own Correspondent

MONTREAL. — Further consolidation of Nova Scotia Light and Power Co. is seen in its application to the Board of Public Utilities to transfer all its subsidiary companies to the parent organization. The petition is stated to have been made for economic reasons.

Subsidiary companies include Avon River Power Co., Edison Light and Power Co., Chester Light and Power Co., Sackville River Electric Co. and Dartmouth Gas, Electric Light, Heating and Power Co.

The petition in each case asks for an order authorizing transfer of the business and undertaking to the Nova Scotia Light and Power Co.

GATINEAU POWER LIGHT SALES GAIN

Consumption Increases 13% in First Six Months

From Our Own Correspondent

MONTREAL.—Gatineau Power Co. reports consumption of electric energy for lighting and appliance use in June showed an increase of 21 per cent over that of June last year and the largest of any month thus far this year. Consumption of energy for these purposes in the areas served has increased in each of the six months of 1931 over the corresponding months of 1930; May and June individually showed greater increases than any of the preceding months.

In the first six months of this year, Gatineau Power Co. produced 1 per cent more electric energy than in the corresponding period of 1930. Consumption of energy, however increased 13 per cent in the light and appliance division.

Merchandise Sales Gain

Sales of electric merchandise in June were 17 per cent over that in June last year and the estimated annual consumption of electric energy added by the appliances sold was 94,000 kw.h.

For the twelve months ended March 31, the latest figures available, Gatineau Power Co. earned, before interest and reserve, $6,916,633 as compared with $5,635,987 in the preceding twelve months.

Manitoba Attracts Industries

Thirty-eight new industries have been established in Manitoba since January, according to the Western Canada News Bulletin.

MONTREAL POWER LINEMEN RETURN

Strike is Concluded — Damage Done to Propertv

From Our Own Correspondent

MONTREAL. — The strike of the 170 linemen of Montreal Light Heat and Power Cons., which caused some embarrassment to the company, has been ended. Practically all the men have returned to work; all vacancies will be filled as soon as possible.

The strike resulted from the company's refusal to acknowledge the Canadian Electrical Union of Linemen and Helpers, stating that it paid the highest wages in the province for the various classes of workers which comprised that group. The work scale was stated to range from 52 to 77 cents an hour, plus extra.

Damage to Property

During the strike, some damage was done to utility properties on the Island of Montreal. Two transmission towers of Shawinigan Water and Power Co., carrying high tension current from Shawinigan to Montreal, were dynamited, the towers falling to the ground and the supply of electricity being interrupted. Similar damage was committed on the high tension line from the Montreal Power Cedars generating station, while some 26 transformers were cut out of service in various parts of the city.

No estimate of the sum involved in this damage has been published; the companies involved were Montreal Power, Shawinigan, Canadian Light and Power Co. and indirectly, Montreal Tramways Co.

RATEPAYERS VOTE ON POWER CORP'S REGINA GAS PLAN

City Council Approves Draft Agreement for Service

From Our Own Correspondent

REGINA.—After a great deal of discussion the city council finally approved draft of a franchise for distribution of natural gas in Regina, to be granted to the Power Corporation of Canada, subject to approval by vote of ratepayers of the city. As completed, the franchise agreement differs in some important respects from the offer of the Power Corporation and the solicitor for that company refused to take the responsibility of declaring it satisfactory without further reference to his principals. The principal point of difference refers to rates to be charged. The original proposal was that rates should be fixed by the Public Utilities Commission of the province, subject to agreement that the company should be allowed a ten per cent return upon investment. There was no demur at the rate of return proposed, but the difficulty cropped up when attempts were made to distinguish between capital and operating charges in some respects, and also as to amount to be included for gas reserves. Finally council decided to take the stand that it had no power to instruct the Public Utilities Commission as to the exercise of its functions, and the draft franchise was made to read simply that the rates are to be set by that body.

Demur At Deposit

There was some discussion over a proposal that the company be required to deposit $100,000 as a guarantee that it will proceed with the work if the franchise is granted, the company taking the stand that a deposit from a Canadian company of its standing was unnecessary. Council finally left this matter to the discretion of the company, the implication apparently being that an actual deposit of cash may assist in obtaining the approval of ratepayers to the franchise.

The most contentious point in connection with the franchise as indeed with the whole question of natural gas for Regina whenever it has been brought up, involved the possible use of natural gas from a Saskatchewan field. Power Corporation proposes to bring its gas from Bowdoin, Montana, where it has control of an extensive field. But various Regina interests have for a long time been searching for gas within the province, and, although no worth-while field has yet been discovered, they have several times have been able to defeat or delay natural gas projects in order to give them more time to complete their search, while coal interests have been able to arouse provincial patriotism against importing gas either from Alberta or from the United States. This time it is proposed to get over the difficulty by a combination of methods. Power Corporation agrees, in the event of gas in sufficient quantities being discovered in the province to give preference to local supplies, provided purchase can be made at rates to be established by the Public Utilities Board. At the same time they agree to provide in the capital structure of the enterprise a sum between $250,000 and $500,000 to be spent in a search for natural gas within Saskatchewan.

Provided agreement can be arrived at the subject of the rate structure, there appears to be a good chance of a franchise agreement being endorsed by the ratepayers. It is not anticipated that a great deal of work can be done this year, as no great amount of time will remain after the necessary delays incidental to submitting a by-law. On that account it is just possible that the by-law may not be submitted until the municipal elections at the end of the year. The company, it is understood, is anxious to get the matter under way as rapidly as possible, not so much because of the actual construction work that can be accomplished before freeze-up, but so that the plans for next year's work may be fully developed.

The last gas scheme under consideration involved linking up Regina, Saskatoon and Moose Jaw in one system. Whether Power Corporation has any plans with respect to the two other cities has not been disclosed, but it is considered doubtful if supplies from the Bowdoin field would be taken as far as Saskatoon.

Newfoundland Railway Curtails Train Service

Newfoundland Railway recently gave effect to a curtailment in the St. John's-Argentia and the St. John's-Carbonear service. The schedule of the former is reduced to three trains a week, running on Monday, Wednesday and Friday mornings. The latter service will be reduced to the regular morning train to and from Carbonear, the "local" between that point and Brigus Junction formerly connecting with the express on Tuesdays and Thursdays being discontinued.

Light Costs Low in Chicoutimi

Electric light and power costs in Chicoutimi are shown up in a better light by a correction recently issued by the Dominion Bureau of Statistics, Ottawa, of an earlier report issued by them relating to average monthly bills for domestic lighting and cooking. In this the average monthly bill for Chicoutimi in 1930 was given as $24, which figure was published in The Financial Post of July 9, under the heading "Electricity Costs Lower in Canada Than in States."

The bureau now advise that this was an error, the correct figure being $10.64. By this correction revision of the mean of monthly bills for the province of Quebec is necessary. Quoted previously at $8.20 (omitting Chicoutimi) the new figure is $9.18.

HAMILTON BRIDGE PROFIT DECLINES FOR FIRST HALF

Encroach on Surplus to Cover Dividend Payments

From Our Own Correspondent

MONTREAL.—Operating profits of Hamilton Bridge Co. and its subsidiary, Western Bridge Co., were about $100,000 lower in the first six months of 1931 as compared with the same period in 1930. While definite figures have not been published, it is officially stated that profits in the half year were approximately $145,000 as compared with $247,606 in the first six months of 1930. Both these figures are before depreciation and income tax.

Payment of dividends in the period have necessitated drawing on surplus to some extent. Two quarterly dividends on the preferred stock totalled $72,605, while dividends on the common stock totalled $75,000, making a total of $147,605. It is stated, however, that the company retains a satisfactory working capital position, which compares favorably with the $1,364,877 shown at the end of 1930.

Increase Bond Holdings

Balance sheet figures as at June 30, show an increase of over $200,000 in the company's holdings of Government bonds. Accounts receivable are in excess of $500,000, comparing with $794,936 at December 31, 1930, while work in progress, materials and supplies are reported to total about $225,000. This compares with $246,625 at the end of the last fiscal year.

Earnings of Hamilton Bridge Co. in 1930 amounted to $303,340. This was sufficient to cover preferred dividends twice over and amounted to $1.57 a share on the common stock.

Dividends on the common which were suspended in August 1931, were originally paid at the rate of $2 a share. This rate was cut in half in May, 1931, and finally omitted altogether.

Brazilian Traction July Earnings Lower

Net earnings of Brazilian Traction, Light and Power Co., for July showed a further decrease, the figure being $1,888,062 as compared with $2,451,294 in July, 1930, and represents a falling off of 23.18 per cent. Gross earnings for month were $3,075,485 as against $4,081,018 last year, while operating costs were $1,192,423 compared with $1,629,724 last year, representing a decrease in each case of 24.64 and 26.83 per cent respectively.

In announcing the net earnings for July, A. W. Adams, secretary and treasurer of the company refers to the Brazilian exchange situation as accounting in a large measure for the reduction in dollar earnings.

Aggregate gross earnings for the seven months ended July 31, 1931, amounted to $21,842,358 as against $28,367,377 in the corresponding period of 1930, while operating expenses were $8,647,985 as compared with $11,895,063, leaving net earnings for the 1931 period of $13,194,373 in comparison with $16,472,314 last year, a decrease of 19.90 per cent.

Lake Ainslie Project May be Developed

From Our Own Correspondent

MONTREAL.—Provided a market for the output is assured, announcement has been made that the Nova Scotia government is prepared to go ahead with the development of the Lake Ainslie hydro-electric project. Development of the site would entail an approximate cost of $1,750,000. The market for production would lie in Cape Breton.

It is reported that the government, through the Nova Scotia Power Commission, was prepared to supply energy from Lake Ainslie at the same figure as that quoted by Dominion Steel and Coal Corp. from its Seaboard plant.

Montreal Building Grows

Building permits issued in Montreal for the first seven months of the current year show an increase of $2,099,296 over the corresponding period of last year, according to the official figures of the building inspector's department. The grand total for the period in question, in 1931, was $17,674,352.

LOWER OUTLAY MADE LAST YEAR ON TELEGRAMS

Wire Mileage in Canada Shows Wide Gain Over 1929

From Our Own Correspondent

MONTREAL—Gross revenues of all telegraph and cable systems operating in Canada during 1930, amounted to $14,264,997, a decrease from 1929 of $1,991,444, or 12.2 per cent. Net revenues were $2.473,706 as compared with $3,666,077 in 1929.

Pole line mileage amounted to 52,824 miles which was but 11 miles less than in 1929, but wire mileage increased by 10,864 miles, amounting to 371,747 miles at the end of 1930.

Two Railways Lead

While Canadian National Telegraphs led in pole line mileage. Canadian Pacific Railway Co. had a greater wire mileage at the end of 1930. Canadian National Telegraphs had 24,828 miles of pole lines at the end of 1930 as compared with 16,919 miles for the C.P.R., while the latter company had 176,236 miles of wire as against 169,163 miles for the C.N. Telegraphs. Dominion Government Telegraph Service ranks third with 9,351 miles of pole lines and 11,399 miles of wire.

Figures issued by the Dominion Bureau of Statistics show that Ontario has by far the greatest mileage in wire in all provinces. Of the total of 371,747 miles, Ontario embodied 128,239, which compared with 47,265 miles in Saskatchewan, the second province in this regard. Quebec was third with 44,868 miles.

Deflects Business Decline

Reflecting the business decline, telegrams transmitted in 1930, including messages originating at Canadian stations, and messages received from the United States lines destined to Canadian stations, amounted to 15,558,224, which was 2,471,749 less than the 1929 figure. Another reflection of business is that $10,213,475 in money was transferred by telegraph, against $11,295,857 in 1929.

The report points out that as a result of the recommendation of the Imperial Wireless and Cable Conference of 1928, it was decided to dispose of the Pacific and West Indian Island Cable system to the Imperial and International Communications Co., a company formed to take over all Empire-owned cables and lease the Empire-owned beam wireless systems.

Necessary legislation was passed by Great Britain in February, 1929, and by Canada in June, 1929, Canada receiving $591,662 as her share of the proceeds of the sale.

Canal Traffic Reflects Problems of "Steamers"

From Our Own Correspondent

MONTREAL. — Illustrating conditions which surround operations of Canada Steamship Lines during the current year, total traffic through the St. Lawrence Canals in July amounted to 716,991 tons, as against 929,886 tons in July, 1930, and 919,649 tons in June, 1931.

Wheat decreased from last year by 265,586 tons, or 8,852,860 bushels. Pulpwood, westbound, decreased by 71,624 tons and ore, other than copper and iron, by 9,112 tons.

There was, however, an increase in total traffic through the Welland Canal of 20,595 tons to 871,513 tons. Increases were largely in traffic to Lake Ontario ports, bituminous coal gaining, together with iron ore, despite a sharp decline in wheat traffic.

Public Utility Earnings

Brazilian Traction

	1931 $	1930 $	Decrease $
July:			
Gross earn.	3,075,485	4,081,018	1,005,533
Oper. exp.	1,192,423	1,629,724	437,301
Net earn.	1,883,062	2,451,294	568,232
Aggre. gross from Jan. 1	21,842,358	28,367,377	6,525,019
Aggre. net from Jan. 1	13,194,373	16,472,314	3,277,941

Note:—The decrease in net earnings in comparison with July 1930 is again accounted for in very large measure by the decline in exchange.

FARQUHARSON & COMPANY
Industrial Engineering & Research
Confederation Bldg. — Montreal
INVESTIGATIONS & REPORTS
For Industrial and Financial Purposes
Management Methods—Economic Studies
Plant Location, etc.
STANLEY FARQUHARSON, A.M.E.I.C.
FRANK A. ELLIS, A.M., Am. Soc. M.E.
J GORDON REED, M.A.

Ten rules for Investing in Common Stocks

Common stocks if they have been shrewdly chosen, and if they are well managed, may easily provide startling profits. Shares of common stocks are being accumulated by investors at present levels.

To aid in taking advantage of the profit to be gained from such a policy, ten simple and fundamental rules regarding such investing are given in a booklet, "MAKING MONEY IN COMMON STOCKS," published by The Financial Post. Single copies may be obtained for 25 cents. This booklet is most valuable for the present use of investors.

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Attached is 25 cents. Please send me a copy of "Making Money in Common Stocks."

Name ....

Address 768

Manitoba—
Widely Diversified Production

Manitoba, with a population estimated at 660,000, is Canada's fourth largest Province. In addition to its agricultural resources, the Province is becoming an increasingly important producer of manufactured goods, livestock and mineral products.

Province of Manitoba 4½% Gold Bonds, due August 1st, 1941 or 1951, are obtainable at attractive prices. Principal and interest are payable in the principal Canadian cities and in New York.

Prices:
1941 Maturity—97.64, yielding 4.80%
1951 Maturity—95.75, yielding 4.83%

Descriptive circular gladly furnished on request.

Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

Woods Manufacturing Company, Limited

Jute and Cotton Bags
Hessians, Buckrams
Paddings and Twine
Tents
Flags
Tarpaulins
Clothing and Cotton Fabrics

FACTORIES AT MONTREAL, TORONTO, OTTAWA, WINNIPEG, WELLAND
HEAD OFFICE MONTREAL

Dominion Bridge Co.
LIMITED
Montreal, P. Q.

Engineers, Manufacturers and Erectors of Steel Structures

Head Office and Works
Lachine Locks, P.Q.
P.O. Address, Montreal, P.Q.

Branch Office and Works
Amherst Ottawa Toronto
Winnipeg Calgary Vancouver

Sales Offices
Montreal Toronto Calgary Edmonton
Ottawa Winnipeg Regina Vancouver

JOHN COTTON'S
TOBACCOS
"Scotland's Best"

Mere adjectives will not do justice to a good tobacco.
Mere adjectives may not even carry conviction.
But the fact that, of fine tobaccos, JOHN COTTON'S —"Scotland's Best" stands out as finest—is a fact more easily proved by smoking than by words.

In three strengths — Mild - Medium - Strong
1 ounce tin, 25c 2 ounce tin, 50c 4 ounce tin, $1.00

JOHN COTTON'S EXPORT VIRGINIA CIGARETTES
in Boxes of Twenty-five and Fifty

Sole Agents for Canada:
CLARK, FRUITIER & Co., Limited
1016 Beaver Hall Hill - Montreal
10

CREATES INDUSTRIAL ACTIVITY AND EMPLOYMENT

CANADA'S water-power developments have contributed in no small measure to the up-building of the Dominion.

An adequate supply of hydro-electric power is the most important factor in attracting new industries and stimulating business activity.

SUCCESSFUL CORPORATION FINANCING

Following are some of the Companies whose financing we originated and whose securities we recommend.

Southern Canada Power Company Limited
Canada Northern Power Corporation Limited
Northern Ontario Power Company Limited
Northern Quebec Power Company Limited
Winnipeg Electric Company
Manitoba Power Co. Ltd.
Northwestern Power Co. Limited
East Kootenay Power Co. Limited
Northern B. C. Power Co.
B. C. Power Corporation Limited

NESBITT, THOMSON
and Company Limited
Royal Bank Building, TORONTO
Hamilton Montreal Quebec Ottawa London, Ont.
Winnipeg Saskatoon Calgary Victoria Vancouver
944

News of Investment Markets

PREPARE SURVEY OF INDUSTRIES MONTREAL AREA

Comprehensive Statement Expected to Appear Shortly

From Our Own Correspondent

MONTREAL. — Some fifteen groups of products constitute by value 55 per cent of the manufactures in Montreal, according to an industrial survey made by Meredith F. Burrill for the Montreal Industrial Commission. The report will be handed down by J. B. Baillargeon, Industrial Commissioner, within the next six weeks, and will contain a comprehensive statement of Montreal's industrial situation.

The survey was authorized by the City of Montreal, and was made under the joint auspices of the Industrial Commission, the Board of Trade, together with the Universities of McGill and Montreal, the Canadian Manufacturers' Association (Montreal Division) and the Chambre de Commerce.

Presages Steady Growth

An abstract from the report points out that the variety of industry in the district, the great breadth of geographic limits and the present trend of economic control presage steady, though not spectacular, industrial growth.

In a brief resume of the industrial survey, Meredith Burrill says in part:

"Manufacturing employs nearly one third of the city's workers, as many as trade, finance and transportation combined. The fraction is increasing.

"Fifteen groups of products constitute, by value, 55 per cent of the manufactures. Their variety indicates the complexity of Montreal's industrial make-up. They are: cigars and cigarettes, railway rolling stock, electric light and power, flour, meat packing, men's clothing, electrical apparatus, women's clothing, brewing, boots and shoes, cotton textiles, printing and publishing, chewing and smoking tobacco, bakeries, and paints, pigments and varnishes. The annual value of each group exceeds $10,000,000.

"Montreal owes its place in Canadian manufacturing to (1) its geographical location providing ocean, river, lake and rail transportation; cheap hydro-electric power; a plentiful supply of cheap, intelligent, tractable labor; large, growing, domestic market; and abundant good water at low cost; (2) extensive factory sites admirably suited to a variety of industries; (3) favorable political and financial conditions; and (4) momentum of early start. Sharp contracts in the effectiveness of the several controls upon individual industries are consequent upon radical difference in scale of manufacture, integration, relative importance of materials, labor, fuel, power, markets and transportation, and in degree of concentration."

Canada Bread Passes Dividend on Common

Directors of the Canada Bread Co., have omitted the semi-annual dividend of 25 cents per share on the common stock ordinarily payable Sept. 1 next. An official of the company stated that the board considered it not in the best interest of shareholders and the company to make the disbursement at the present time.

On March 2 last, the dividend rate on the common stock was reduced from an annual rate of 75 cents to 50 cents per share, with the half-yearly payment of 25 cents, one payment only being made at the reduced rate.

The company's financial statement for its fiscal year ended June 30, last, and published in The Financial Post last week showed the dividend on the first preferred earned and $4.71 applicable toward the second or "B" preferred dividend of $7, leaving a deficit before payment of the common dividend which amounted to 62½ cents per share during the year.

In presenting the report, President Gooderham stated that profits during the last half of the fiscal year were steadily accelerated, and a much improved result was achieved over that shown in earlier months when flour prices were high and a demand for cheaper bread most insistent. Economies effected in operating costs resulted in total costs being reduced approximately 15 per cent from those incurred in the previous fiscal year.

The annual meeting of the company is called for August 27 next and will be held in the offices of the company on Davenport Road, Toronto.

Beatty Bros. Class "A" Common Shares Listed

Following the approval by shareholders and the granting of the necessary supplementary letters patent whereby the outstanding common stock of Beatty Bros., Ltd., has been divided into class "A" and class "B" shares, announcement is made by the Toronto Stock Exchange that 139,000 common shares have been withdrawn from the list and 39,000 class "A" common shares officially listed for trading.

The new class "A" shares represent shares of the old common held by the public, the remaining 100,000 shares outstanding being held jointly by W. G. Beatty and M. J. Beatty. At the present time in order to conserve the cash resources of the company and at the same time maintain the dividend rate of $2 per share on the shares held by the public, it was thought advisable to adopt this course of action. M. J. Beatty and W. G. Beatty now hold jointly 100,000 class "B" common shares and are foregoing dividends on their holdings until business revives. Class "A" common shares have a preference over class "B" shares in the matter of dividends and in no case will dividends on class "B" shares be larger than those on class "A."

Holders of class "B' shares received an initial dividend of 50 cents per share on August 1 last, thus establishing an annual rate of $2. Dividends on the old common were paid at the yearly rate of $2 from October 1, 1929 to April 2, 1931, inclusive.

Nfld. Hotel Operations on Self-supporting Basis

Affairs of Newfoundland Hotel Facilities Ltd., which went into liquidation last fall, appear to have worked into a much more satisfactory condition under the guidance of the liquidator, Sir William F. Lloyd, a profit having been shown in the operating account each month since last October. On greatly reduced capital, and run as a private company, it is stated that the hotel can be made self-supporting.

B. B. Stafford, manager of the hotel, interviewed by St. John's Daily News, points out that rates have been reduced to Newfoundlanders, both transients and permanent, which had the effect of keeping all the suites in the hotel occupied during last winter. The whole staff of 98 were thereby able to be retained.

New Tariff Schedules Fail To Stem Flood Of Imported Textiles

From Our Own Correspondent

MONTREAL.—Though figures covering imports of textiles into Canada during the current year as compared with 1930 would indicate that there has been a relatively small decline considering the drastic revisions made in the tariff last fall, textile manufacturers are quick to admit that without the benefits of the new schedules the condition of the industry would be a good deal worse than it is today. Competition, despite increased duties, is still keen; what the situation might be under the old duties is not difficult to imagine.

It is not possible to place a finger on any one set of figures and estimate the exact effect which new duties have had on imports. Values of raw materials have declined appreciably, purchasing power has fallen off while, most important of all, government statistics, since April have not included the volume of imports of textiles. Values only are shown, except in the case of raw materials and cotton.

Thus it is by values that estimates to date must be made and values have fluctuated considerably. To what extent decreased imports of manufacturers are responsible can only be hazarded; the wide decline in raw materials would appear to have played the greater part in this decline.

Raw Imports Gain

Imports of raw and partly finished materials show a slight increase indicating that Canadian mills have been somewhat busier. Raw cotton imports show a slight decrease for the 12 months ended June 30, 1931, as compared with the same period in the previous year. Imports of cotton yarn are slightly higher in the same period. A gain in imports of worsted tops this year shows improved activity for Canadian spinners, a factor which is also reflected in decreased imports of worsted yarns. Raw silk and rayon yarns also show gains, indicating improved manufacturing operations in Canada.

But it is the values of imported manufactured goods which gives a key to the possibility that the tariff has not resulted in easing the burden of competition directly. Take the figures covering imports of cotton manufacturers. These, excluding raw cotton and linters, were valued at $1,381,825 in June, 1931, as compared with $2,049,087 in June last year a decrease of about 32 per cent. Imports during the 12 months ended June, 1931, and the previous 12 months period were $21,177,230 as against $29,252,753 or a decrease of 27.5 per cent.

The average value of raw cotton per pound imported during these periods as computed by E. S. Bates in the Canadian Textile Journal was 11.3 cents and 17.8 cents, a decline of 36.5 per cent.

Imports of Cottons

Imports of bleached cotton fabrics, grey cotton fabrics, piece-dyed cotton fabrics, yarn-dyed and print cotton fabrics and velveteen and corduroys were valued at $10,377,976 in the 12 months ended June, 1931, as compared with $15,265,551 in the same period last year. This return shows a decrease in valuation of $4,887,575 or 32 per cent.

How much of this can be attributed to the decline in raw cotton values? It is worth noting that Dominion Textile Co. reported a decline of 20 per cent in sales in the year ended March 31, 1931, a drop which was attributed almost entirely to the shrinkage in raw cotton values. In other words, with volume almost maintained values of the company's sales dropped about 20 per cent; accordingly it seems fair to suppose that volume of imports of cotton goods, on the same basis, have shown little tendency to decline.

Include Heavy Months

It should be remembered that these figures for the 12 months ended June 30, 1931, include the heavy imports in the fall of last year which followed the announcement that tariff duties were to be increased. There was a wide influx of goods in September, October and November which must be considered in viewing the figures.

On the other hand imports for the first six months of the current year do not change the picture materially. To June 30, 1931, imports of all textile goods into Canada were valued at $51,514,934 as compared with $80,204,881. This is a decrease of $28,689,946 or 35 per cent, but raw material values have shown a decline almost as great. The inference is that volume of imports has not shown much reduction.

Volume Not Reported

It is unfortunate that the Bureau of Statistics has discontinued publication of figures covering volume of imports of textile manufacturers; the reason is said to be due to the fact that the new specific tariff duties are based on weight of goods imported, and details of yardage are not available.

As it is comparisons can only be made from values; following are returns of the different textile divisions for the 12 months ended June 30 in the past two years:

12 Months Ended June,

	1931 $	1930 $
Cotton and prod. ...	32,810,476	48,404,307
Flax, hemp, jute	9,673,069	13,962,636
Silk and prod.	17,373,965	26,036,423
Wool and prod.	30,814,675	43,368,130
Rayon products	10,108,572	13,522,529

The fact that imports of raw materials have been maintained and in some cases increased is encouraging. It indicates that Canadian mills, woollen and silk, have been able to hold their rate of activity at a slightly improved rate though in the case of the cotton industry, raw imports have been lower. This has been offset to some extent by increased usage of rayon yarns.

Imports of raw cotton were down about 4,000,000 pounds at 100,088,404 in the year ended June 30, 1931, and imports of cotton linters were also slightly lower. Increases, however, were recorded in cotton yarn, raw silk, raw wool, tops and rayon yarns while wool yarn imports are lower, an encouraging sign.

Decline Offsets Tariff

While the new duties have enabled textile manufacturers to stave off worse times it is interesting to see how the decline in raw material values nullifies, to a great extent, the direct benefits of an ad valorem duty. In the case of grey cloth there is an ad valorem duty of 25 per cent on imports from foreign countries with a specific duty of 4 cents a pound. On this basis the Canadian manufacturer is just able to compete with an outside country.

Take a purely hypothetical case which will illustrate the fact. In 1928 raw cotton was selling around 20 cents a pound. For the sake of argument United States manufacturing costs may be placed at 12 cents a pound giving a total manufactured cost of 32 cents a pound. In Canada, manufacturing costs are somewhat higher, and in the same hypothetical case, costs in Canada may be placed at 20 cents a pound. This brings the total costs to 40 cents a pound, or a gain of 8 cents over the United States product.

An ad valorem duty of 25 per cent would bring the cost of American goods up to 40 cents a pound, the same as Canadian prices placing the two on a competitive basis.

Now take cotton at 7 cents a pound. Add American manufacturing costs of 12 cents making a total of 19 cents plus an ad valorem duty of 25 per cent; this brings the total to about 23½ cents a pound. On the same basis Canadian goods are selling at 27 cents a pound, 7 cents for raw cotton and 20 cents for manufacture, with the result that the American manufacturer has an edge of nearly 4 cents a pound. This has been offset by the specific duty of 4 cents which just enables the Canadian manufacturer to get an even break.

It is not surprising, therefore, that competition remains keen and that imports continue at a high level.

SOME NEW LISTINGS ON STAND. 'CHANGE

Prospectors Airways Approved, and Alexandria Gold Called for Trading

Shares of Prospectors Airways Co. Ltd., have been approved for listing on the Standard Stock & Mining Exchange, Toronto, and are to be called for trading shortly.

The company has an authorized capitalization of 500,000 of no par value, of which 353,006 are outstanding. It was incorporated with a Dominion charter to explore mining properties through the use of airplanes, and has been active in the Opemiska Lake area of Quebec. In addition it holds property in Pascalis Township. Most of the stock is held by the original group, but Ventures Ltd. has a ten per cent interest.

The original syndicate capitalization was 500 shares of $100 par value, but upon incorporation of the present company the capitalization was increased to the present.

Officers and directors are: Robert Cockeram, Haileybury, president; C. F. Tuer, Haileybury, secretary-treasurer; Peter T. Graham, New Liskeard; L. B. Rochester, Ottawa; and G. R. Burge, Haileybury, directors. Head office is at Haileybury, and Royal Trust Co., Toronto, is transfer agent.

Share of Alexandria Gold Mines, which have been traded recently on the curb section have been called for trading on the big board.

Recently the company announced the conclusion of financial arrangements with a New York broker whereby 1,250,000 shares of the company's stock would be optioned and taken up by him as he was able to make a market and dispose of them.

The shares optioned are not treasury stock, but stock held by various shareholders. Under the terms of the agreement with the principal shareholders, the optioned stock will be taken up pro rata and with the funds received the directors and leading shareholders will repurchase treasury stock with the money received, thus replenishing the company's treasury in this manner.

Dominion Bridge Plans Expansion on Coast

From Our Own Correspondent

MONTREAL.—Advices from Vancouver state that Dominion Bridge Co. is considering plans to construct a second unit at the company's plant on the Pacific Coast. No official announcement has been made in this connection and details regarding probable cost are not available.

Year's Profits Brantford Rope May Show Gain

According to unofficial reports, earnings of the Brantford Cordage Co., for the fiscal year ending Aug. 31 next, may show an increase over the preceding year. The company's plant which had been closed for a time in June, has been operating at full capacity since the beginning of July, and, as it is pointed out that, so far as the Canadian market is concerned, sales are nearly all made in late July and early August, current reports would speak well for the company. Export trade of the company for the present year is known to have been fairly good, although no figures are available as regards shipments of binder twine. United States provides the chief export market.

For the fiscal year ended Aug. 31, 1930, the company reported net earnings, after providing for depreciation and taxes, of $348,876, which, after sundry expenses and additional provision for bad debts, left a net profit of $340,439. Dividends on the first preferred stock accounted for $141,201, leaving surplus for the year of $199,238.

The company has an exceedingly strong liquid position. Current assets, as reported from Aug. 31, were $2,400,900, in comparison with current liabilities of $41,208, providing a working capital ratio of 58.26 to 1.

The company's plant at Brantford, Ont., occupies over seven acres, and supplies about one-quarter of the Canadian consumption of binder twine, as well as exporting considerable quantities. Public interest lies mainly in the first preferred stock of $25 par value, which pays $2 per annum.

Dominion Steel Plans Activity at Glace Bay

From Our Own Correspondent

MONTREAL.—Mining operations of Dominion Steel and Coal Corp. in Glace Bay and New Waterford will be stimulated through a reallocation scheme which the company plans to place in effect. It is stated that through this arrangement an additional 100,000 tons of coal will be mined at New Waterford annually.

To take care of this expansion, what is claimed to be one of the largest electric hoists used in any coal mine has been placed in operation at New Waterford at a cost of $100,000. Latest equipment has been utilized in the new hoist which took five months to erect.

Bond Tenders

10 a.m., Aug. 26, School Mun. of Drummondville, Que.—$40,000, 5 per cent redeemable annually until 1961, payable at Bank of Montreal, at Montreal or Drummondville. Gaston Ringuet, sec.-treas.

8 p.m., Aug. 26, City of Joliette—$50,000, 5 per cent bonds for construction of certain permanent works and purchase of apparatus and equipment. Bonds are redeemable serially from May 1, 1931 to May 1, 1961, and payable at the head office of the Banque Canadienne Nationale at Montreal or at one of its branches in Joliette and Quebec. Camille Bonin, sec.-treas.

12 o'clock, Aug. 27, County of Halton—$58,000, 5 per cent 20-instal. bonds, and $7,688 5 per cent 10-instal. bonds.

6 o'clock, Aug. 28, Cornwall—$73,000, 4¾ per cent 30-year installment bonds.

Noon, Aug. 31, Rockcliffe Park—$6,677, 5½ per cent 20-installment bonds.

4 o'clock, Aug. 31, Township of Talon, County of Montmagny, P.Q.—$15,000, 5 per cent bonds dated Sept. 1, 1931, redeemable serially from Sept. 1, 1931 to Sept. 1, 1951, payable at Banque Can. Nationale at Quebec, Montreal and Montmagny. Dominique Bolduc, sec.-treas.

7 o'clock p.m., Sept. 7, Municipality of Ste. Jeanne d'Arc—$12,000, 5 per cent, road bonds redeemable serially from March 1, 1932 to March 1, 1946. Capital and interest payable at Banque Can. Nationale at Quebec, Montreal and Dolbeau. Leo Routhier, sec.-treas.

8 o'clock, p.m., Sept. 8, Town of East Angus—$105,000, 5 per cent bonds dated Jan. 15, 1931, redeemable serially from Nov. 1, 1932 to Nov. 1, 1941, payable at Banque Can. Nationale at East Angus, Quebec or Montreal. Anselme Tourigny, sec.-treas.

6 o'clock p.m., Sept. 8, Mun. of Parish of Ste. Foy, P.Q.—$55,000, 5 per cent bonds issued by series during 20-years. J. Morin, sec.-treas., 1350 Ste. Foy Road, Ste. Foy.

4 o'clock p.m., Sept. 9, Mun. of Grand 'Mere City, P.Q.—$100,000, 5 per cent bonds, dated May 1, 1930, redeemable May 1, 1945, payable at Banque Can. Nationale at Grand 'Mere, Montreal or Quebec, or at Bank of Montreal, Toronto. J. E. Deziel, sec.-treas.

8 o'clock p.m., Sept. 16, Town of Berthier, P.Q.—$150,000, 5 per cent bonds dated Sept. 1, 1931, redeemable serially from Sept. 1, 1932 to Sept. 1, 1971, payable at Banque Can. Nationale, at Montreal or Berthierville. F. O. T. Lamarche, sec.-treas.

Bond Sales

Cochran, Murray & Co. have been awarded an issue of $43,000, 5 per cent 30-installment bonds of the Township of Ancaster at 104.14; cost basis 4.65 per cent. The bids were:

1	Cochran, Murray & Co.	104.14
2	A. E. Ames & Co.	103.68
3	Dominion Securities Corp.	103.665
4	Dyment, Anderson & Co.	103.321
5	Gairdner & Co.	103.297
6	C. H. Burgess & Co.	103.21
7	Bank of Commerce	103.16
8	J. L. Goad & Co.	103.16
9	Wood, Gundy & Co.	103.07
10	J. L. Graham & Co.	103.03
11	R. A. Daly & Co.	102.88
12	Bell, Gouinlock & Co.	102.763
13	Milner, Ross Securities	102.676
14	Harris, MacKeen & Co.	102.10
15	McLeod, Young, Weir & Co.	100.68

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Andian Nat. Corp.	*6%	1940	Sept. 1	105
B.C. Telephone ..	4*%	1962	†Nov. 1	105
Cascade Water Power	4½%	1940	†May 1/32	100
West Kootenay Pr.	6%	1940	Sept. 1	110
Prov. L.H. & P...	*5%	1946	Sept. 1	105
Interlake Tissue Mills	*6%	1935	Feb. 1/32	101
Maine & N.B. Electrical Power	*6%	1948	Jan. 1/32	107½
Foreign Issues—				
Kingd. of Norway	*5%	1967	Dec. 1	100
Argentine Republic	4½%	1934	Oct. 1	100
Credit Consortium, Italy	A	*1937	Sept. 1	100
Credit Consortium, Italy	B	*1947	Sept. 1	100
City of Oslo, Norway	5½%	1946	Feb. 1/32	100
State of Minas Geraes	*6½%	1958	Sept. 1	100
Do.	*6½%	1957	Sept. 1	100
Buenos Aires Ext.	*6%	1961	Sept. 1	100
Chilean Consol. Mun. 1929 Ext.	*7%	1960	Sept. 1	100
Sao Paulo Coffee Realiz. Loan	*7%	1940	Oct. 1	100
Danish Cons. Ext.	*5½%	1955	Nov. 1	100

*Called in part.
†Or before.

U.S. POSTAL RATES TO CANADA RAISED

After Sept. 1 Rate Will Be 3c For First Ounce, Says P. O.

Postal rate on United States letters destined for Canada and Newfoundland, including Labrador, has been raised from two cents to three cents for the first ounce, commencing September 1, 1931, according to instructions issued by the U. S. post-office department. Rate on postcards will be two cents.

Effective on the same date, air-mail rates for the same destinations will be six cents for the first ounce and 10 cents for each additional ounce or fraction thereof.

This action follows an earlier announcement by the department whereby postal rates for delivery in Great Britain and Ireland will from September 1 be increased to five cents for the first ounce and three cents for each additional ounce or fraction thereof, and a rate on postcards increased to three cents.

Traders Finance Corp. Preferred Being Earned

Although volume of business handled this year to date shows a decrease from the 1930 level, dividends on the preferred stock of Traders Finance Corp., after all charges, are being earned by a good margin, according to W. W. Evans, president and managing director.

The company's business is entirely devoted to financing Ford products in Canada, and Mr. Evans, who has just returned from the West, states that while a large number of farmers are in arrears in their payments on automobiles, yet over 90 per cent of them have actually made some payment. In very few cases has the company found it necessary to repossess automobiles, and in those particular instances there has been a ready resale at a reasonable price and generally for cash, which would in some cases point to that reserved purchasing power which the farmer commands and which he is spending very cautiously.

Minneapolis, St. Paul July Revenue Lower

From Our Own Correspondent

MONTREAL.—Gross revenue of Minneapolis, St. Paul and Sault Ste. Marie Railway Co. in July, 1931, was $2,640,610, as compared with $3,492,681 in the same month last year. The company is a subsidiary of Canadian Pacific Railway.

Net operating income was lower by about $202,000 at $580,478, and net loss for the month was $427,145. This compares with a net loss of $220,467 in July, 1930. The net loss, excluding the Wisconsin Central, was $407,263, as against $163,573 in July, 1930.

Capital: $1,000,000

Complete Trust Service

covering

Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults

THE EASTERN TRUST COMPANY
Head Office — Halifax, N. S.
Saint John, N.B. St. John's, Nfld. Charlottetown, P.E.I.
MONTREAL
212 St. James Street W.

Canada Paving & Supply Omits Preferred Dividend

First preferred shareholders of Canada Paving & Supply Corp. have received a letter from Thomas Chick, president, advising the omission of the quarterly dividend due Sept. 1 next. The letter states that the omission is rendered necessary as a result of insufficient contracts this season in order to enable the company to earn the dividend requirements.

Almost complete cessation of building activity in the Border Cities of Ontario, has led to the builders' supply department of the company being unprofitable during the past two years, and has resulted in the contracting department having to carry the burden of profit making. Activities of the company's subsidiary in the Maritimes are reported as being on a profitable basis in this its first year of operation.

The letter further states that when it became apparent that the present year was to be one with relatively small volume of business, efforts were made toward effecting operating economies from which gratifying results have been obtained.

Canada Cement Holds Output at Good Level

From Our Own Correspondent

MONTREAL. — Though Canada Cement Co. does not publish figures on current earnings during the year, a glance at statistics issued by the Dominion Bureau of Statistics covering cement production throws some encouraging light on the company's operations.

In the first five months of the current year to May 31, there were 3,253,054 barrels of cement manufactured in Canada as compared with 3,002,179 in the same period of the previous year—an increase of 7.7 per cent.

These figures would indicate that Canada Cement Co. has maintained its output relatively well during 1931, though values of production are not available.

Pan-American Service Cancels Southbound Mail

From Our Own Correspondent

MONTREAL.—Cancellation of south-bound mail from the Maritimes to Boston on the Pan-American Airways Co. planes has gone into effect and will continue indefinitely. The north-bound mail service remains in operation. The new air service was inaugurated in July 1931.

CANADA PERMANENT MORTGAGE CORPORATION

Quarterly Dividend

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of

TWELVE PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

THURSDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September, 1931.

By order of the Board.
WALTER F. WATKINS, Secretary.
Toronto, August 19th, 1931.

THE NATIONAL CITY COMPANY CANADA

You need expert advice and access to reliable information if you are to take advantage of conditions that exist in the bond market to-day. If you cannot visit our offices our Mail Department is always at your service.

The National City Company
Limited
Head Office—360 St. James Street—Montreal
320 Bay Street TORONTO | 85 Sparks Street OTTAWA | 65 St. Anne Street QUEBEC
372

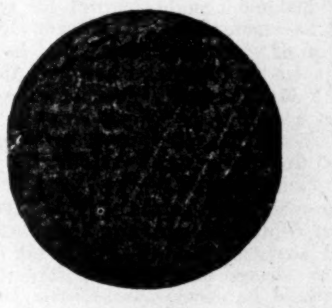
PENMANS LIMITED
General Offices: Paris, Ontario
Manufacturers of High-Grade
KNITTED UNDERWEAR, HOSIERY, and OUTERWEAR
Mills at: Paris, Brantford, London, Waterford, Ontario; Coaticook and St. Hyacinthe, Quebec

Selling Agents to the Wholesale Trade:
John Gordon & Son, Limited, Montreal and Toronto.
To the Retail Trade:
Montreal, Quebec, Toronto, Ottawa, London, Hamilton, Halifax, Saint John, N.B.
Agents:
Bryce Sales Limited, Calgary, Winnipeg and Vancouver.
Export Representatives:
Great Britain and Ireland: Liddell & Mitchell, Glasgow, Scotland.
Taylor & Shelmerdine, Manchester, Eng.
W. J. Cutcliffe, London, Eng.
A. Lowry, Belfast, Ireland.
Australia: Hugh Scott Young, Melbourne.
New Zealand: H. W. Airey, Ltd., Auckland, Dunedin, Wellington.
South Africa: L. C. Carrick, Johannesburg.
Newfoundland: S. Elliott & Co., St. John's.
British West Indies: Wilson & Johnstone Ltd., Port-of-Spain, Trinidad.
Lester W. Huddle, Kingston, Jamaica.
China and Japan: Messrs. Horn & Nobbins, Shanghai, China.

MAPLE LEAF
INDUSTRIAL
ALCOHOL
HIGHEST QUALITY—BEST SERVICE
Ethyl Alcohol—Cologne Spirits, Denatured Alcohol (ALL-FORMULAE)

We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the Trade.

Canadian Industrial Alcohol Co., Limited
MONTREAL CORBYVILLE
TORONTO WINNIPEG VANCOUVER



On Top of the World

WHEN the Dominion Government completes its Census of Distribution this year it will undoubtedly be found that the food stores in Canada come first in the volume of business. This is forecast by the figures that have just been published in the United States. Food stores there numbering 497,000 realized an annual sales volume of more than $11,000,000,000, or 22% of the total retail business of the country. Considering Canada's population at almost 10% of that of the United States it will be seen that the grocery trade here will approximate $1,000,000,000. It will be easily 50% of this volume in recognized groceries alone, or $500,000,000. No matter what kind of conditions exist, whether times are bad or good, people must eat, and immense quantities of food go into consumption daily. The food industry has been perhaps the least affected of any on this account.

Where "Canadian Grocer" Fits In

Surveys that have been made in particular localized markets show that the readers of Canadian Grocer, the best merchants in the district, are doing between 70% and 80% of all the grocery business. Conservative figures place the annual volume done by the readers of Canadian Grocer at some $350,000,000. Buying groups and corporation owned chains alone have a total volume to-day approximating $200,000,000.

Manufacturers selling through the food outlets of the country realize readily the great importance of placing their messages regularly before this huge market.

Canadian Grocer

Canada's National Grocery Paper Since 1886

MEMBER A.B.C.

Published by Business Newspaper Division

The MacLean Publishing Company, Limited
143-153 University Avenue Toronto, Canada

Largest Paid A.B.C. Circulation of any Grocery Publication in Canada.
Leads all other papers in circulation, advertising carried and reader interest.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal	Date Sold	Sold To	Rate	Maturity	Amount	Price	Basis
Ancaster Township	Aug. 18	Cochran, Murray & Co.	5%	30-ins.	$43,000	104.14	4.65%
R. C. School Comm., Isle Maligne, P.Q.	Aug.	A. E. Ames & Co.	5%	25-yr. ser.	65,000	97.56	5.26%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Offered	Yield
Fabrique Immaculate Conception of Sherbrooke ...	Aug. 11	Anglo-Francais	5%	Serial	$200,000	99.55	....

THE FINANCIAL POST

Member Audit Bureau of Circulations

President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Editor—FLOYD S. CHALMERS

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A. B. C inspection.

ADVERTISING RATES

Single Insertion—$3.65 per inch.
Debenture and Dividend Notices—26c per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143 University Ave., Toronto 2

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GT. BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1. E. J. Dodd, Director.

THE FINANCIAL POST BUSINESS YEARBOOK. Yearly, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES. Yearly, $2.
THE FINANCIAL POST SURVEY OF MINES. Yearly, $2.
THE FINANCIAL POST RECORD OF PROSPECTUSES. Half yearly, $7 per volume.
THE FINANCIAL POST CORPORATION SERVICE. $20 monthly. Special prices for selected part service.
DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly, $10.

TORONTO, AUG. 29, 1931

RAILWAY PROBLEM IS STILL WITH US

BOTH Canadian railroads have been rapidly expanding since the end of the war their investments in new facilities. The dictum of Sir Henry Thornton that "a railroad never stops growing" is given thorough proof in the experience of the two major Canadian lines. Between 1918 and 1930 the fixed assets of the Canadian Pacific Railway increased by $380,000,000, while during the same period at least $600,000,000 was spent by the Canadian National Railways on branch lines, additions to equipment, etc. Yet what are the owners of these railways getting for their larger investments? C. P. R., which earned its bond interest and the ten per cent dividend on its common stock with some $2,000,000 to spare in 1918 had only a trifling surplus to the good in 1930 and has already this year cut its dividend. It is not yet certain whether the smaller dividend of five per cent will be earned. Canadian National Railways will this year impose a larger burden upon the taxpayers of Canada, who own the line, than in any previous year of its existence, either as a group of unrelated companies or as a correlated system. Nor is this situation merely a temporary one due to the fact that we are in the valley of depression. One finds it difficult to believe that either railroad will earn what might reasonably be expected of it at any time during the next few years, certainly not until there has been a great upturn in business and a considerable expansion in population and production in Canada.

There are several basic factors in the Canadian railway problem. These basic factors relate to both of the national systems. One is the fact that the uneconomic duplication of lines and extension of new lines, that before the war created our serious railway problem in the first instance, have continued with only slight modification since the end of the war. We might have caught up with our railway investments had we been less generous in our capital expenditures in the last few years. But the investment of enormous sums on new lines, new stations, new equipment, etc., has brought us back to where we were a few years ago. In 1924 and 1925, Canadians felt that their most serious problem was their railway investment. When prosperity came there was some feeling that the problem was solved, but it is now apparent that it has not been solved.

In the meantime, another basic difficulty has been intensified in the rise of competitive forms of transport using government financed highways. Bus and trucks create a carrier service that is largely uncontrolled and which has few of the tax and capital problems that are common to railways.

Under these circumstances the suggestion of Sir Henry Thornton, that a national commission of business men should be appointed to study the Canadian railway problem, a suggestion which has received the support of E. W. Beatty, chairman of the C. P. R. as well as of the railway committee of the House of Commons, is one that cannot be ignored. Recently this suggestion has received considerable support from a series of able editorials published in the Mail and Empire of Toronto. It might be argued that if the two railway presidents were to sit down together they could themselves work out ways and means of bettering the position of their respective lines. They have done a great deal along this line but there is a point beyond which they themselves cannot move public opinion and it is essential that their hands be strengthened by the support of pronouncements by such an independent commission.

The commission would have considerable work laid out for it. One of its first jobs would be to survey the investment in Canadian railways in relation to the service required, and to indicate to what extent new extensions or curtailment of new extensions is called for to enable traffic and earnings to catch up with the investment and physical facilities already existent.

The second task would be to face seriously the question of eliminating, so far as possible, uneconomical competition between the C. N. R. and the C. P. R. and definitely to make suggestions that would have the weight of public opinion behind them and could therefore be adopted by the heads of the two great railroads.

A third task would be to study the question of bus and truck competition, to make suggestions as to the organization or legislative control of such carriers of passengers and freight and to indicate the basis upon which the provinces and municipalities should establish their tax policies toward such forms of support.

The commission might also consider the general question of the future of the Canadian National Railways, but this is another problem. The important thing at the moment is to have a general survey made of the whole railway problem in Canada as it affects all railroads and particularly the two large ones and to have, from an independent non-political body including business men of weight and standing, suggestions for governmental and railway policies designed to solve the railway problem in Canada.

WHEAT THE WAY OUT

WRITING in the Toronto Star, Norman P. Lambert, formerly a newspaper man, then an organizer of the farm movement and now an officer of a large milling company, challenges the current notion that most of the West ought to go out of the growing of wheat and go in intensively for mixed farming. Mr. Lambert estimates that there is at least 35 to 40 million acres, extending across the southern and central parts of Saskatchewan and Alberta, which represents exclusively grain growing country. This country, he points out, over a period of ten years up to 1930, probably contributed more generously to the trade and commerce of Canada than any other part of the West. Because it has been drought-stricken for two years he does not consider that it should be abandoned or that it should attempt to go in for a type of agriculture to which it is not suited. Mr. Lambert makes the suggestion that a definite survey and classification of the exclusive grain growing areas of the West be officially made.

Mr. Lambert goes further with his suggestion and thinks that a study might be made of a plan to organize this exclusive grain growing territory for mass production through the cultivation of land in large blocks. Farmers might cooperate to utilize machinery on a large scale and, as a precedent for the type of agricultural development he has in mind, Mr. Lambert quotes the collective farms of Soviet Russia.

This is an interesting suggestion but one that would have to be carefully studied from its psychological as well as its practical aspect. The western farmer of Canada is a high type of individual and it might be more difficult to organize him for mass production of wheat than it has been to organize the Russian peasant. But with Mr. Lambert's main premise that a careful study should be made by the Dominion and the Provincial Governments to the end of determining how best this great grain growing land, now under the cloud of depression, can be made to yield abundant yields there can be no disagreement. Mixed farming should be encouraged in the West where it is practical, but the particular needs of exclusive cereal areas should not be overlooked.

There is too widespread a feeling that because of some fundamental change in conditions Canada must give up wheat growing. The theory is based upon the premise that Russia will dominate world markets for wheat. But it should not be overlooked that Russia's primary objective is to raise the standard of living of her population and this inevitably means vastly increased home consumption of wheat. There will always be a sufficient export market for wheat for Canadians, with their peculiarly favorable conditions, to compete for a good share of export trade. And over a term of years such trade is bound to be profitable. The law of supply and demand will look after that. Russia has menaced our wheat markets in the last two years and may for some little time yet, but in the long run Canada will find ample prosperity in wheat growing.

Mr. Lambert points out that old grain traders have an adage which says that if you lose money on the market you should seek its recovery in the place where you lost it. Canada has been losing money recently on the growing of wheat and has taken a large loss. Canada can seek recovery for its losses in the growing of wheat on an extensive scale but by efficient methods.

BIG RADIAL VISIONS WILTED BY TIME

IN THE few months before it ceased operations for all time (little chance of any resumption of operations being conceded) the interurban electric railway between Toronto and Guelph carried about 300 passengers a day. The gross earnings last year were less than $150,000 as against $350,000 ten years ago. Electric railway tracks north, east and west of Toronto have been ripped up although various municipalities will continue for many years to pay interest on the bonds they issued to buy these railways as going concerns. Toronto faces a potential loss of $7,000,000 on one alone of these lines and only missed by a hair's breadth a minimum loss of $3,000,000 on the Toronto-Guelph line. The absolute lunacy of the vast campaign to put the Province of Ontario and the various municipalities in the electric railway business on a large scale, an attempt that was vigorously pushed between 1917 and 1923, is now apparent, even to the most dense. But the menacing futility of this visionary project was apparent even then to those who would look for the handwriting on the wall. On March 24, 1917, The Financial Post said, in the course of one of many editorials on the subject of electric railways:

"If we judge by the fight which Sir Adam Beck is putting up for a system of electric lines throughout the province, Ontario's future development depends upon the success which attends his efforts in establishing a network of hydro-driven lines. A generation ago when steam lines were being constructed over the province it was considered that they solved the transportation problem for all time. Events move apace. Today the electric systems are crowding the steam roads. What of the future? Who will say that the development of the motor-bus does not promise to make their period of usefulness a short one. Already in portions of the United States, the new system of locomotion is generally popular and in Canada, in Winnipeg and Vancouver, the popular jitney is cutting into the earnings of the street railways. Sir Adam should consider carefully the possibilities of the development of gasoline transportation before he ties the province and the municipalities up to a scheme which if unsuccessful may quite easily bring financial disaster."

That was written at a time when there were less than 200,000 motor cars in Canada, when the speed limit in one province was 7½ miles an hour in towns and when in one province it was forbidden to operate a motor car during church hours on Sunday. But the future of motor transport was inexorably in the making and the ensuing three years carried gasoline transportation at rocket speed nearer its ultimate goal.

Consistently over these years The Financial Post fought the giant electric railway projects sponsored by Sir Adam Beck and the public ownership crowd in Ontario, then in full possession of their most amazing powers of dictatorship of press, politicians and public. Toronto, Guelph and some other communities disregarded the warnings and bought or built electric lines at colossal cost. But The Post's warning had its effect provincially and when the Hearst government was ousted by the farmers, the new premier, Hon. Ernest C. Drury, refused to be a rubber stamp in approving the Beck radial schemes. Rather he appointed an independent commission to study the projects. The Commission said thumbs down. This did not stop the propagandists but Mr. Drury and Mr. Ferguson who succeeded him stuck to their guns and saved Ontario from bankruptcy that would inevitably have ensued.

Beck is gone and thanks to his inability to put over his final great folly some element of mystic romance, tinged with reverence, is his mantle today. But those who were Beck's stalwart lieutenants, who learned his ways and essayed to keep them alive, are still with us, diminished in power it is true but active nevertheless, and it is this group, the die-hard political ownership crowd of Ontario, that is busiest today in urging political ownership for the Beauharnois project. They want the privilege of multiplying $4,000,000 of graft and waste into $400,000,000.

The lesson of the radials should not be forgotten. It showed on a large scale just what Beauharnois showed on a small scale; what happens when business enterprise becomes a cog in a political machine.

EDITORIAL NOTES

A cable despatch says German bands owe seven billion marks. This is a lot of notes even for German bands.

* * *

A man who worked out a new theory of stock trends applicable to investment trusts committed suicide in New York without leaving any reason for his action. He didn't have to.

* * *

Vancouver has jumped from fourth to third place among Canada's cities but Toronto people do not expect it for a while to fulfil Sir Herbert Holt's promise of becoming the second city.

* * *

On the one hundred and fiftieth anniversary of the surrender of Yorktown, we find Britain obtaining joint advances from the United States and France, an even more important surrender. But if Britain takes drastic steps to put her governmental finances in order she may yet retain or at least regain her sovereignty in world finance.

* * *

The railway problem is not confined to Canada. The following United States railroads are among those that are not expected to earn their dividends this year: Illinois Central, Chicago & North Western, Reading, Northern Pacific, Lackawanna, Great Northern, New York Central, Pennsylvania, Baltimore and Ohio, Atchison, and New Haven.

* * *

A few years ago business men kept their eyes on their competitors in the same line of business. Nowadays it is more important to watch other lines of business for new competition. Cotton and rayon, for instance; or the stage and the movies; or railroads and the trucks. Now even owners of bathing huts feel the effect of the new competition; women don their bathing suits at home and wear pyjamas to the beach.

POST-scripts

SHERLOCK HOLMES himself could hardly have hoped for a better piece of detective work than that carried out recently by a Montreal electrician, instrumental in apprehending some persons tampering with a transformer located near his house. Service had been interrupted on the power lines on several occasion through acts of sabotage; the miscreants, however, could not be caught. On this occasion the electrician was listening to his radio, which was tuned into one of the vitriolic speeches that enliven election campaigns in Quebec. Suddenly he heard a sound which to his expert ear told him something was happening to the nearby transformer. To those who know their Quebec elections the fact that he detected anything unusual in his radio reception is nothing short of remarkable; nevertheless he sped to the scene of the interference immediately. There he found a man perched on the pole doing something to the transformer which evidently was not in the interests of the company which owned it. Police were called; arrests were made and doubtless the electrician returned to the more soothing atmosphere of one of Mr. Houde's speeches.

THOUGH competition among the newsprint producers is keen, it is not without a shock that one reads the report that a British Columbia paper company is presently negotiating with the United States Navy for a cruiser. To make matters worse, it is stated that the company already has bought a warship from the same source.

It is satisfying to know, however, that the Powell River Co., the firm in question, has no militant intentions in view. The first cruiser now forms part of the barrier in the company's log-pond where its hull has been sunk to provide protection for the logs awaiting conversion into pulp. The second cruiser may be used as a breakwater if the deal goes through. It is said, however, that there is a considerable amount of red tape attached to trade in cruisers at the present time and that permission in such matters must be obtained from the League of Nations at Geneva. Possibly guarantees also have to be given that the "Charleston," as the second cruiser is named, will not be used to bombard competitive newsprint mills. Manufacturers with properties on tidewater may breathe again.

FROM time immemorial there has always been some class in the community who have been the particular butt of sly jokes on the part of their friends. There was a time when undertakers were subjected to these friendly but sometimes rather pointed pokes. Doctors, too, were a good subject for jokesters. The word lawyer was synonymous, in the humorous papers, at least, for a man whose word could not be believed and who made sure of his own income before worrying about his client's. Of course only the isolated sceptic believed that all undertakers, lawyers and doctors were fakirs, shysters or quacks and the barbs seldom had malicious intent.

Now the mantle of umbrageous atmosphere surrounds another group—the stock brokers. To be a stock broker is to be a fair target for witticisms and criticisms. Even judges join in the still hunt for broker hides, as some recent decisions—in purely local courts, it is admitted—bear witness.

The stock broker cannot fight back as easily as those who are engaged in one of the professions. One has to possess certain statutory qualifications to be a doctor or a lawyer but any one may call himself a stock broker—or even an investment banker. Certain a calling in which any one may engage without preliminary qualification has no professional standing.

The investor should hold towards stock brokers the same feeling he has towards retailers and other business men. Because a man has failed to get satisfaction in one store he does not condemn them all. Because he has got good service and fair prices in one store he does not call all retailers good angels. There are brokers and other brokers; there are good brokers and bad ones; honest ones and dishonest ones; efficient ones and inefficient ones. Some are good citizens and some are knaves. But most people have not yet learned the fine art of discrimination as applied to stock brokers.

THE old story about it being news when a man bites a dog might be made to read that it is news when an Austin damages a truck. And just such a piece of news appeared in the Bell Island news section of the St. John's, Nfld., Daily News the other day. Here is the historic item of news:

"A collision occurred on Wednesday between the American Austin owned by Dr. H. A. Giovannetti, and the meat truck owned by Mr. Jas. Normore, and driven by Mr. Fulton Normore. The truck, strange to say, fared the worse in the encounter, the running board on one side being torn off where it hooked in the fender of the Austin, which was turning out of a gate into the main road at a point south of the C. L. B. Armory when the truck struck it in passing by."

As Others See Us

Fair Treatment Needed

The Fundy Fisherman, Saint John, N.B.—Elsewhere in these columns is an article copied from The Financial Post, intimating that a reorganization in some of the Departments at Ottawa is needed. The Financial Post is the most outstanding financial paper of Canada, and has always been an excellent friend of the Maritimes. This paper has always kept in close touch with public opinion, in fact, it has often led the way in this regard. Those of us in the Maritimes who have had experience at Ottawa, will fully realize that The Financial Post is absolutely right in its intimations.

Take for instance, the application of the sales tax to wholesalers, which every business man knows was absolutely impractical, yet the Minister made the statement in the House, that he was changing the tax practically over the heads of departmental officials. A great many of these officials have been possibly good technical men in their day, but times have changed greatly during the last few years, and men living between four walls, and not taking the trouble to visit different parts of the country and acquaint themselves with how modern business is carried on, cannot possibly have a national viewpoint, neither do they realize how impractical a great many rulings and regulations which they promulgate, really are.

In these times, it is hard indeed to carry on business, and every business is in need of fair treatment and co-operation of the various Departments at Ottawa, and one would need to have an extended imagination, to believe that fair and courteous treatment is always being accorded our Maritime industries by officials of our Customs and Revenue Departments.

Advertising Shows Gain July Figures Reveal

From Our Own Correspondent

MONTREAL—Advertising linage in United States newspapers showed a marked advance in July. The record for the month was the best this year, according to Editor and Publisher, the loss in total advertising as compared with July 1930 being 6.5 per cent. The average loss for the first seven months was 10.6 per cent.

The gain is encouraging from the point of view of the Canadian newsprint manufacturers who may expect to feel a reflection of the situation, if it continues, within the next month or two. Increased newspaper advertising linage means an increased demand for newsprint.

Prospects Are Improved

While there is no prospect that newspaper linage will approach the levels of 1929 the course of the year's volume to date indicates that the 1931 linage for the last quarter will be in excess of that for 1930 while the total for the current year is not expected to fall greatly under that of last year.

It is pointed out that the heaviest decline in 1930 against 1929 linage did not occur until August, holding at or under 10 per cent for the first seven months and then dropping sharply to 18 per cent in the eighth month. The total loss for 1930 against 1929 was about 12 per cent. If the expected happens in what remains of 1931 it is possible that year's linage will be about 5 per cent behind that of 1930.

One factor which is encouraging is the gain in Sunday linage. Since 1926 Sunday editions have been losing ground; in the past two months, however, it is reported that there have been scattered gains throughout the United States. Even financial advertising has shown some improvement.

Daily and Sunday combined, according to Editor and Publisher, retail advertising in July was 2 per cent below July 1930 volume, compared with 5.9 per cent for the first seven months. General advertising was down 6.4 per cent from July 1930 as compared with 12 per cent for the first 7 months.

Automotive Linage Gains

Automotive advertising was 14.9 per cent behind July 1930 compared with 28.2 per cent for the first 7 months while financial advertising ranked 29.2 per cent below July 1930 as compared with 27.6 per cent in 7 months.

Classified space shows a loss of 9.7 per cent for July and 12.4 per cent for the 7 months and legal advertising actually showed a gain of 1 per cent for July against a loss of 0.6 per cent for the first 7 months.

Figures are based on reports from 225 daily and 112 Sunday papers in 80 cities in the United States.

Business Paper is Living Book; Hence Readable and Practical

By E. H. MORROW

"Ford Men and Methods" is the title of a new book written by E. P. Norwood. From reviews one gathers that Mr. Ford is generously quoted by the author—and quotations from Mr. Ford cannot lightly be passed over, particularly when they deal with industrial and business life.

At one point Mr. Ford remarked "that the printed page has the danger that unthinking persons may look upon it as having the worthiness of permanence simply because it has been cast into type."

"Younger readers especially," he continued, "should be guarded from the danger of considering what has been found between the covers of a book as a kind of standard of practice good enough to follow; even, perhaps deserving of exact imitation."

This estimate of the value of the printed page as an infallible and definite rule to action in the present or in the future follows naturally upon Mr. Ford's views quoted elsewhere in which he stated that nothing save change in this constantly changing world is constant. Where change is constant the actions of today must be based on the conditions of the day and should not slavishly follow in the footsteps of the past. Nevertheless, Mr. Ford does not discard the value of books because of an inherent weakness. A study of the past he maintains is a guide to future action and a carefully written book dealing impartially with the facts of the past is a sound and clear record of what has gone before. It provides a body of experience valuable in helping one to deal with the problems of the present.

The inherent weakness of a book, however, good it may be, is that it is out of date almost as soon as the ink on its pages is dry. Written under a given set of conditions it is thrust forth upon a world in which the conditions have changed before it reaches its market. The only type of publication which can cope with this serious weakness is the class paper dealing with the problems of the present and under the conditions presently holding. In the field of industry the business paper is a constantly shifting panorama of what is being done and of how problems are being met. Never twice, perhaps, will it approach or discuss the same problems in just the same way—this because it reflects instantly and practically the changing conditions which affect its field.

The class periodical because of limitations of space is unable to be as tediously painstaking and thorough as is a book. For that it is none the worse, because it is more readable as well as more practical. No one realizes or should realize the inadequacy of the book and the advantage enjoyed by the business paper more than the business man himself. In his class medium he finds the current suggestions which help to keep him abreast of change and to meet his problems in a way that current experience suggests is best.

The teacher of business in the university finds the same to be true—it is a fact forced on him by expensive experience. Few things go out of date so quickly as a business textbook. Only an occasional fundamental volume dealing in a broad way with broad principles of universal application in all ages can pose for more than a short time as an up-to-date exposition of business principles. The business paper, whatever may be its shortcomings, is the best text because it represents its field as it is and not as it was.

Other People's Views

Hypocrisy and Election Money

Military Gazette,* Ottawa.—There has been not a little hypocrisy from the good old public, largely unconscious hypocrisy, if that be not a contradiction in terms. All Canadians who know anything know that there are such things as party funds, and they know these are created by contributions very often emanating from those who wish favors in the present or future.

The writer well remembers one of the famous old railway builders who used to say with a cynical smile, "I always give 60 per cent to the government and 40 per cent to the opposition." The public, when elections come round, no longer works actuated by party enthusiasm alone, but largely for reward, not the straight bribe for votes, but the insidious graft of payment for use of autos, etc. Greed always breeds graft, and unfortunately most people are greedy. There is no proof of the fact, but the writer rather believes that graft began when rival contractors for the building of the Tower of Babel fell out, with the resulting rioting of the opposing factions, which ended in the "confusion of tongues."

We hope that the Beauharnois disclosure, nauseous as it is, may result in a better way of raising party funds, and such a diminution in their amount as will make it necessary for a return to the old method of free contribution of service.

*From a leading editorial by Lt.-Col. A. T. Thompson, parliamentary agent.

New Books

"How to Spend Your Money"

Colonel Ernest McCullough, an American consulting engineer who is well-known to Canadians, has written an interesting little book under the title "How to Spend Your Money." While it would seem that few people require any hints as to how to spend their money, being quite capable of doing that without outside assistance, there is a serious purpose in this little volume. Taking as his text the famous maxim of President Roosevelt, "Thrift is common sense applied to spending," Colonel McCullough analyzes the essentials of investment and expenditure for the benefit of those who are just entering into business life. Proper investment, division of one's expenditures, use of insurance, opportunities in the real estate market and in the stock market are all discussed in non-technical language, with none of the textbook atmosphere that usually surrounds books of this character. Colonel McCullough's desire apparently is that this book be recommended as a good book to present as a gift to boys and girls of high school and college ages. Undoubtedly it has a real value for inexperienced and impressionable minds, but this does not mean that it has no appeal or value for persons further on in years, particularly for those who have realized in recent years the dangers of not building their futures on a sound plan.

One of the most interesting features of Colonel McCullough's work is his discussion of the business cycle in its relation to success in life. He shows that the business cycle operates in long and short swings of comparatively even intensity so that the young man entering the business world may have a fair forecast of prospects for thirty years ahead and may select with some degree of accuracy at least the proper time to enter into business and the proper time to consolidate.

Incidentally, Colonel McCullough considers that the best period for a man to enter on his business career or to start in business for himself is in the period of moderate prosperity that lies between the end of a period of deflation following the boom, and the beginning of a new period of inflation and boom.

The average person's life is divided in such a way that one-third of it is devoted to the preparation, one half is devoted to competition and gain and the balance is intended for leisure and contemplation. The book is devoted chiefly to outlining the proper way to prepare for the latter years of the adult life, when every man hopes by good fortune, aided by prudence, to be in a position to live easily or retire.

The book is published by Jonathan Cape & Harrison Smith, Inc., 139 East 46th Street, New York. Unfortunately the price of this valuable work of 152 pages, neatly bound in cloth, is not stated on the review copy supplied.

Canadian Government
Provincial, Municipal
and
Corporation Securities

R. A. DALY & CO.
LIMITED
80 KING STREET WEST
TORONTO

Building An Income

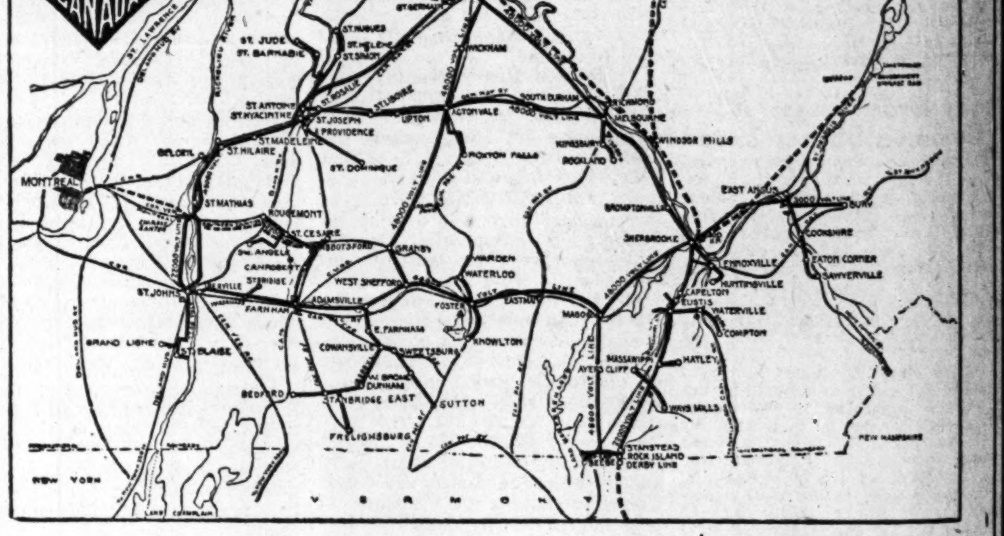
The present is an opportune time to assure a future income by acquiring sound securities at favourable prices.

Our investment experience extending over forty years is available for investors.

Address our nearest office.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Vancouver Victoria New York London, Eng.

CHASE & SANBORN'S COFFEE
Canada's favorite for half a century
A quality product of
STANDARD BRANDS LIMITED
HEAD OFFICE: MONTREAL
A Canadian corporation operating Canada's largest fresh food delivery system
MANUFACTURERS AND DISTRIBUTORS OF
Fleischmann's Bakery Products • Fleischmann's Yeast for Health
Magic Baking Powder • Gillett's Lye • Royal Yeast Cakes
Chase & Sanborn's Tea and Coffee



$75,000,000 Points the Way to Your Success

A capital investment of over $75,000,000 by more than 60 successful firms during the past decade is a most compelling indication of how the Southern Canada Power's industrial district is attractive to industry.

The experience of these firms has indicated the district's unparalleled advantages for low production costs — based on reliable power, economic labor, low taxation, exceptionally ideal living conditions.

Canada's largest urban market — Greater Montreal — is conveniently adjacent. Excellent transportation connections serve the district.

Locating your plant in Southern Canada territory assures you of the economic essentials for successful manufacturing.

For further information write
Industrial Manager
Southern Canada Power Company
Limited
355 St. James St. Montreal

The Week in Business

Do Prices Presage Business Upturn?
Butter Slumps With Pound Sterling
Retail Field Quieter

WITH little of encouragement in either the domestic or foreign situation at the present time, business economists and statisticians are apparently busy digging back into previous depressions and in this way attempting to gauge from stray statistical straws, which way the business wind may be expected to blow. Thus for several weeks now, much has been made of the fact that consumer goods such as boots and shoes and textiles have been showing upward trends and there has been an uncovering of valuable and illuminating data concerning the behavior of these data in the previous depression.

Now comes a rather new and interesting thought, plucked from past experience, to the effect that in past depressions, there has been a definite tendency for wholesale commodity prices to continue to decline or at best to move sidewise for several months after business revival has definitely begun. This fact may prove of definite encouragement in the event of our wholesale commodity index continuing to decline, although it probably upsets many pet notions to the effect that an upturn in commodity prices would presage rather than lag behind business recovery.

It has already caused the New York Annalist to draw attention to the fact that for 13 weeks now, the general level of commodity prices as measured by its most reliable weekly index of wholesale commodity prices, has been stable which, it says, "In view of the continued sag in business activity in general, can scarcely be considered other than favorable."

* * *

JUST how intimately Canada is affected by the epoch-making events recently taking place in Great Britain and Europe is rather well reflected in the antics of butter prices at Montreal and Toronto. A year ago, butter importers would probably have been concerning themselves with provincial production reports and other indicators of domestic output, for Canada at that time was on an import basis and the price was set largely by the relative scarcity of domestic product. Today, however, Canada is in the butter export market which means that every quaver of the pound sterling and every run on a Deutches bank finds almost instant reflection in the price of Canadian butter. Germany particularly seems to need watching "butter-wise" because most of Denmark's output goes to Germany and when conditions are bad there, the Danish surplus swings back on Britain where Canada finds her biggest market.

* * *

IN THE retail domestic field, the tourist traffic has now passed its peak, although Toronto will undoubtedly feel its usual fall stimulus from the C. N. E. about to get under way. Fall placements of retail lines have not been encouraging according to observers such as R. G. Dun, in spite of the barrenness of shelves. This is certainly reflected in carloading figures for merchandise and l. c. l. shipments which are currently over 20 per cent below last year. Total loadings for the week ending August 15 were 14,350 cars or 23 per cent below the corresponding figure of 1930, livestock alone showing an increase. Bank of Montreal in its current business review finds no definite indication of early sustained improvement.

RSC INVESTMENT SERVICE

Government, Municipal Public Utility and Industrial Issues

We shall be pleased to submit current offerings and information upon request.

Royal Securities Corporation
Limited

244 St. James Street, MONTREAL — 330 Bay Street, TORONTO 2

Offices in principal cities throughout Canada

Two Reasons

why you should be a regular subscriber

1 You are entitled to a personal reply from the Investment Editor regarding any Canadian Investments in which you are interested.

2 The Financial Post alone is well worth the subscription price of $5.00.

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me The Financial Post for the next year (52 issues), this to entitle me to obtain by letter, a personal reply from the Investment Editor to enquiries regarding any Canadian investments in which I may be interested by simply supplying a stamped return envelope. I enclose $5.00.

Name ....

Occupation ....

Address 778

Business Conditions in Canada

TRADE FAILURES FOR HALF-YEAR LESS THAN 1930

Construction and Service Alone Fail to Improve

Cumulative total of commercial failures in Canada for the first six months of the year are reported by the Dominion Bureau of Statistics to have been 1,109 as compared with 1,205 last year and 1,153, and 986 for the same periods in 1929 and 1928. Defaulted liabilities totalled $22,853,013, as compared with $26,408,324, $21,025,946 and $14,213,748 for the half-year period in the three preceding years. The decrease in the numbers in comparison with 1930 represented 8 per cent, and the amount of liabilities was 13½ per cent less.

The greatest number of failures occurred in Ontario where there were 392, this comparing with 413 for the same period last year and 432 in 1929. Quebec suffered 377 this year, as against 518 last year and 495 in 1929. Increases, however, were reported for Saskatchewan, where failures jumped from 59 last year to 103; in New Brunswick, where there was an increase from 24 to 38, and in Manitoba where the number was up from 46 to 59. The position was also slightly worse in British Columbia, Alberta, and Prince Edward Island.

N. S. Greatly Improved

Nova Scotia, on the other hand, made a notable recovery, suffering but 22 failures in comparison with last year's 35, and comparing with an average over the last 7 years, for the corresponding period, of 33 failures.

Taking Canada as a whole, failures were most frequent in the construction business, increasing from 125 to 130, but all other classifications of trade shared in the better total except transportation and public utility which, with 20 failures, was the same as last year. Manufacturing failures were less at 238 than since 1927; the 1930 figure was 246.

NOW ON BOTTOM BEATTY BELIEVES

Says Maritimes Have Fared Better Than Most of Canada

Expressing the opinion that the depression is now at the lowest level, E. W. Beatty, chairman and president of the Canadian Pacific Railway, following a tour of inspection of the company's properties in New Brunswick and Nova Scotia, declared that he expects the coming winter to see the final stage of the depression period.

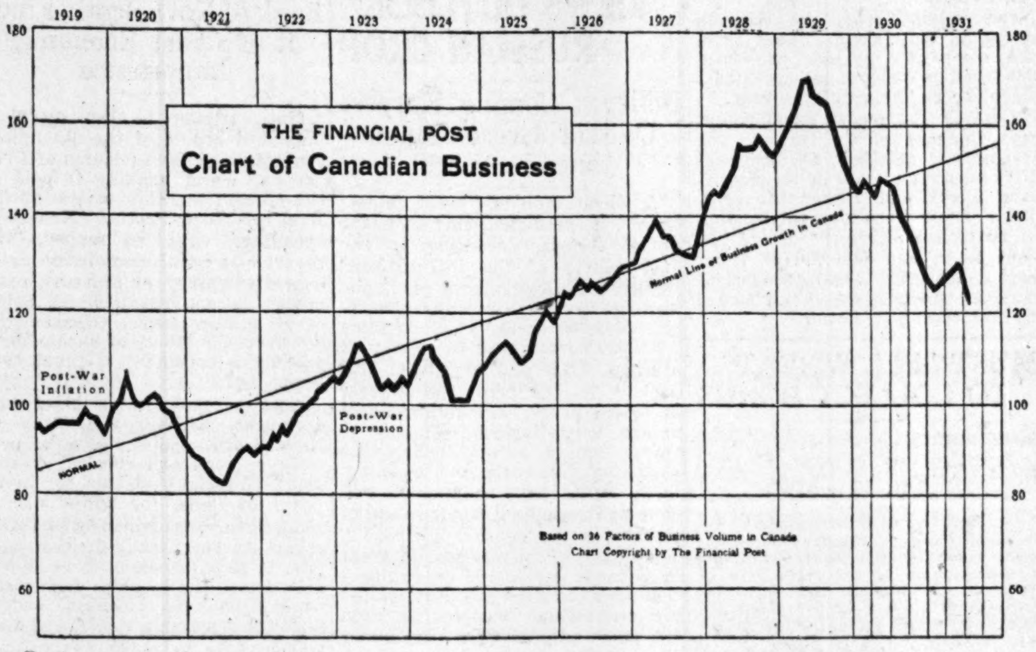
Commenting on conditions in the Maritimes, Mr. Beatty stated that the effects of the depression have not been felt there to the same extent as they have been in the more heavily industrialized provinces of Ontario and Quebec, or the wheat-growing provinces in the west. Lumbermen and potato growers of New Brunswick, while they have not been enjoying the extensive markets they did formerly, have nevertheless proved themselves able and willing to carry on. Similar sound conditions exist, Mr. Beatty said, in the great fruit-growing districts of Nova Scotia and notably in the Annapolis Valley, where growers are looking forward to a successful season.

Savings Are Barometer

Savings bank accounts in the Maritimes indicate that the situation is fundamentally sound and that the people are prepared to take advantage of the opportunities when the time comes.

"It is only natural," continued Mr. Beatty, "that depression so widespread and of such duration should create abnormal conditions, but plans to provide work and relieve unemployment during this final period are so comprehensive and of such magnitude, that I fully expect we will come through the winter months with less hardship than was believed possible when the problem was first approached."

July Business Index Indicates Irregularity



Business operations continued at a low level in July, although considerable irregularity was shown. Construction and mining made a better showing, and the increased imports of crude rubber indicates preparation for renewed activity in tire factories. The iron and steel industry experienced an inactive month, the output of motor cars reached a low point and newsprint was produced in lesser volume. Carloadings showed a dropping off even after seasonal adjustment. Highway construction was the main factor in the gain in employment, while encouragement was offered by maintenance after seasonal adjustment, of lumber exports.

July Lumber Exports Hold Encouragement

Effect on Employment Would Be Substantial if Summer Gain is Maintained—Business Index Off 3 Points During Month

By SYDNEY B. SMITH

While improvement was shown in some lines in July, the business index confirms that operations continued at a low level. Further decline in The Financial Post index of the physical volume of business to 123.5 as compared with 127.1 in June, was due to taking the three months average but the sagging tendency in the compilation emphasizes the inactivity in industrial operation in the current period. The period of readjustment in other countries is far from completed and the Canadian situation is further complicated by the partial crop failure in the central portion of the Western grain area. The reduction in the volume of the crop will result in a decline in a wide variety of factors retarding the return of economic prosperity.

While considerable unevenness developed in July, production in several of the more significant industries showed decline. The iron and steel industry being dependent on other industries, occupies a strategic position. When other groups add to their plant and equipment, the iron and steel industry prospers. If plant and equipment are in excess of requirements for meeting current demands, the steel industry experiences an inactive period. In July, the output of pig iron was 40,300 tons representing a considerable drop from the preceding month. The production of steel was 45,100 tons compared with 55,600 in the preceding month. The automobile industry normally slackens speed in July, while this year the decline was drastic even after adjustment for seasonal tendencies. The output was only 4,220 units compared with 6,835 in June. The low level of operations in the motor car industry seriously affects the employment situation, and, in addition, indicates that because of uncertain conditions effective demand is greatly below normal.

Lumber Exports Good

It is reassuring to find that the exports of lumber were fully maintained in July after seasonal adjustment. The lumber industry under normal conditions affords good opportunities for employment during the winter season. Any revival of the lumber industry would be most welcome as a means of relieving unemployment in coming months. The experience of the newsprint industry was adverse in July, the output and shipments showing decline to lower levels. The production in July was 182,700 tons compared with 193,970 tons in June. While current operations are at a very low level compared with capacity, it should be realized that the demand for newsprint is exceedingly susceptible to fluctuations in advertising requirements. The return of prosperous times will result in a rapid gain in the sales of newsprint.

The imports of crude petroleum were more than 98,000,000 gallons in July, compared with 117,000,000 in the preceding month, but seasonal considerations account for the decline. Imports of crude petroleum are normally much less in July than in June, and the index after seasonal adjustment shows a gain. The imports of crude rubber used largely in tire factories at 5,805,000 pounds, in July, shows a gain after seasonal adjustments of no less than 72 p.c. over the extremely low level of June. Preparations are being made to meet replacement demand. Needs may be postponed, but the use of the motor car has been well maintained and purchasing is bound to recur.

Building Improves

Construction was an industry staging a considerable revival in July. The volume of new business during the preceding three months was at a very moderate level for the season when active operations are normally expected. The value of contracts awarded in July were $28,055,000, a gain after seasonal adjustment of 37.5 p.c. Building permits issued by 61 cities also registered a marked gain over the preceding month. The total was $10,880,000, compared with $8,470,000 in the preceding month, a gain, after seasonal adjustment, of no less than 51 p.c.

While coal mining showed a decline in July, metal mining was more active. Measured by shipments to external points, the production of gold, silver, nickel and copper was in greater volume than in June. An index of mining factors was 126.5 in July, compared with 112.0 in June.

The production of hydro-electric power normally shows a decline in July from the level of the preceding month. This year the decline was greater than normal for the season. The average daily output of electric energy generated by water-power was 39,447,000 k.w.h. in July, compared with 42,263,000 k.w.h. in June. The decline after seasonal adjustment was slightly more than three per cent.

The fluctuating and uneven tendencies prevalent among Canadian industries are characteristic of the present phase of the economic cycle. Readjustment is a slow process but will gradually be completed by different industries in turn.

FISHERMEN PROTEST AGAINST SALT TAX

Maritimers Feel Impost Not Meant for Them and Urge Change

Protest against the additional load placed upon Canada's maritime fishermen by the 4 per cent sales tax and the 1 per cent excise tax on salt, is being made by fishing interests and importers of Saint John.

It is claimed that salt has always in the past come in duty free since no solar salt such as is produced on Turk's Island or imported from Liverpool is produced in Canada. The Liverpool salt is in the form of comparatively large crystals, it is said, and has an outstanding feature in that it does not cake. Another feature is the rapidity with which it "strikes."

The tax, it is thought, will open the way to the dumping of cheaper United States salt from Lubec and Eastport, and was apparently placed on this article to benefit Eastern Canada manufacturers of table salt, probably without realization that it would incur a penalty on fishermen on the Atlantic coast. No objection is taken to the tax on table salt but, it is thought, that if the government were conversant with the Saint John situation, steps would soon be taken to rectify an unnecessary and unfortunate impost.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1931	1930	Cumulative Jan. 1 to date 1931	1930
C.P.R. Gross Earn. (Aug. 21)	$ 2,546,000	$ 3,661,000	$ 90,083,000	$ 111,095,000
C.N.R. Gross Earn. (Aug. 14)	$ 3,195,883	$ 4,448,682	$ 110,536,115	$ 137,747,723
Car Loadings (Aug. 15)	47,598	61,950	1,582,322	1,948,670
Common Stock Index (Aug. 20)	80.6	129.2	......	......
	Monthly			
Production—				
Pig Iron, tons (July)	40,303	64,676	339,525	515,862
Steel, tons (July)	45,097	68,424	506,974	705,037
Newsprint, tons (July)	182,731	216,978	1,319,627	1,500,341
Automobiles (June)	6,835	15,090	66,092	110.685
Boots and Shoes, pr. (June)	1,576,449	1,398,444	8,978,977	8,772,583
Flour, bbls. (June)	1,121,115	1,160,922	6,648,773	7,208.226
Mineral Production—				
Gold, oz. (May)	215,200	168,270	1,040,003	800,757
Silver, oz. (May)	1,786,000	2,185,000	9,587,929	10,118,672
Nickel, tons (May)	5,327	4,769	18,170	23,263
Copper, tons (May)	18,681	13,741	64,773	65,719
Lead, tons (May)	9,828	13,313	68,725	71,656
Zinc, tons (May)	12,107	9,948	55,543	50,432
Coal, tons (June)	887,859	1,340,223	5,867,698	7,470,047
Nat. gas, M. cu. ft. (May)	2,036,000	2,107,000	13,416,924	14,623,885
Petroleum, bbls. (May)	156,400	106,340	805,825	518,482
Automobile Financing—				
Used Cars (June)	$ 2,460,324	$ 3,299,507	$ 12,595,770	$ 18,086,593
New Cars (June)	$ 2,436,623	$ 4,625,148	$ 12,972,955	$ 19,230,648
Construction—				
Building Permits (June)	$ 8,470,738	$ 18,621,487	$ 57,472,274	$ 85,413,985
Contracts (July)	$ 28,054,700	$ 37,374,000	$ 190,992,300	$ 278,000,400
Labor—				
Employment Index (June)	103.6	116.5	....	....
Trade—				
Imports (July)	$ 48,400,844	$ 84,550,935	$ 402,311,844	$ 627,864,935
Exports (July)	$ 49,675,120	$ 76,407,506	$ 341,395,541	$ 512,907,944
Imports of Key Products—				
Rubber, raw, lbs. (June)	4,730,546	5,777,423	30,414,917	36,606,477
Cotton, lbs. (June)	5,269,000	4,981,000	46,207,000	45,925,000
Sugar, raw, lbs. (June)	55,324,800	70,447,600	362,628,200	302,414,700
Petroleum, crude, gal. (June)	117,341,108	110,593,076	464,327,863	474,096,244
Coal, tons (June)	1,198,335	1,887,497	5,365,746	7,230,426
Exports of Key Products—				
Newsprint, tons (June)	189,739	194,321	1,025,773	1,167,602
Automobiles, No. (June)	914	2,711	10,142	22,591
Wheat, bus. (July)	12,004,817	19,868,298	99,891,627	79,072,494
Wheat flour, bbls. (July)	466,967	658,834	8,132,225	6,361,116
Electric Power—Output—				
M. Kilowatt hours (June)	1,284,260	1,434,611	8,283,698	8,949,947
Population—				
Emigration (May)	612	4,216	5,469	21,679
Immigration (April)	3,201	19,309	8,523	41,214
Finance—				
Failures, No. (June)	165	178	1,109	1;205
Failures, Liabilities (June)	$ 4,613,464	$ 2,405,794	$ 22,853,013	$ 26,408,325
Bank Debits (June)	$2,693,538,371	$3,397,740,656	$16,425,144,294	$19,025,169,814
Bond Sales (July)	$ 7,467,700	$ 54,189,941	$ 971,842,711	$ 427,483,760
Insurance Sales (July)	$ 39,977,000	$ 46,505,000	$ 301,479,000	$ 339,239,000
Wholesale Prices (1926=100—				
General Index (July)	71.7	85.3	......	......
Iron & its products	87.1	90.8	......	......
Cotton, raw	53.2	74.9	......	......
Grains	39.6	66.7	......	......
Live stock	78.0	107.4	......	......

Where Canada's Grain Carry-over Is Stored

Total stocks of grain of all kinds in Canada carried over at the end of the crop year July 31, 1931 amounted to 241,443,120 bushels, being 46 per cent heavier than the quantity held at the end of the previous year.

Disposition of the country's store, according to data compiled by the Dominion Bureau of Statistics may have been seen from the table below. The quantities in farmers' hands are estimated from reports of crop correspondents to the Agricultural Branch, while the quantities in flour mills in the Eastern Division are estimated on the basis of holdings at the end of June:

	Wheat Bushels	Oats Bushels	Barley Bushels	Rye Bushels	Total Bushels
Public and private terminal elevators, Fort William and Port Arthur	45,701,835	2,137,994	6,543,377	9,002,712	63,868,660
Mills and mill elevators, western division	5,342,594	1,215,473	963,054	82,776	7,639,929
Interior terminal elevators, western division	1,424,986	74,533	14,746	4,124	1,518,513
Vancouver terminal and private elevators	9,576,450	114,491	24,448	18,792	9,734,181
Victoria elevator	Nil	Nil	Nil	Nil	Nil
Prince Rupert private elevator	6,861	......	......	......	6,861
Country, private terminal elevators, western division	28,806,758	3,457,504	1,544,512	1,189,081	35,196,953
Eastern elevators	14,344,612	1,786,218	1,070,315	1,849,404	19,067,169
In transit—railways	4,888,570	750,768	281,023	151,418	6,135,337
In flour mills—eastern division (estimated)	1,441,000	699,000	64,000	......	2,204,000
In farmers' hands	19,459,400	52,603,500	17,618,400	1,403,600	91,120,700
Afloat for unloading at Canadian ports	2,388,567	530,391	1,316,543	715,316	4,950,817
Total, 1931	133,381,633	63,369,892	29,440,438	14,417,223	*241,443,120
Totals, 1930	111,094,912	21,582,780	22,875,432	9,190,705	*165,380,487

*Includes flax, separate figures for which are omitted from the table.

MEXICO URGED TO SEEK TRADE WITH CANADA

Mexican Cabinet Official Recommends Trade Treaty

Recommendations for a trade treaty between Canada and Mexico have been put forward by Juan Andreu Almazan, Mexican Secretary of Communications, following his recent official visit to Canada.

In the report submitted to President Pascual Ortiz Rubio, General Almazan urged that better organization among producing interests be effected in Mexico, that regular steamship lines to Canada be established along both coasts, that the Mexican consular staff in Canada be increased and that an accredited diplomatic representative be posted in Ottawa.

Development of tropical production in Mexico is advised. Prior to the establishment of steamship lines, Mexican ports, especially those along the Pacific, should be improved, the Secretary said, pointing out that Canada already had a representative in Mexico studying with the Mexican government the project of establishing those lines.

Advises Consulate

In order to facilitate the distribution of Mexican products in Canada General Almazan recommended that consulates general should be set up at Montreal and at Vancouver also. At present Mexico's annual exports to Canada average only about $1,000,000 in value, he stated, expressing the opinion that this trade could be infinitely increased.

The suggestions toward the formulation of a Canada-Mexico trade treaty have been received favorably by newspapers, according to reports from Mexico City.

BUILDING EASES FURTHER IN JULY

Value of Permits For 7 Months, 32½ p.c. Below 1930

Further reduction in July of the value of building permits issued in 61 cities in Canada rendered the total for the year to date even less favorable in comparison with last year's figures. The value of permits issued in July amounted to $10,879,505, or 31.3 per cent lower than in the same month of 1930, though an improvement of about $2,500,000 was shown on the figures for June of the present year.

The cumulative total of $68,351,779 for the first seven months was but two-thirds of the value of permits issued in this period of 1930, though it should be noted that there has also been a very considerable decline in wholesale costs of building (the Dominion Bureau of Statistics' index having fallen from 98.9 to 83.6, 1926 being taken as the 100 mark). Ignoring this fact, the aggregate for the seven months this year was below the average recorded for eleven years.

Increases in building permits issued in July as compared with June were reported from Nova Scotia, Quebec, Ontario and British Columbia, the largest gain being that of $971,018, or 24.8 per cent, in Ontario. Of the decreases, that of $258,485, or 42.7 per cent, in Manitoba, was the most pronounced.

In comparison with July, 1930, Nova Scotia and New Brunswick registered improvement, there being gains of 289 and 36 per cent respectively in those provinces. Elsewhere declines were the rule, that of 22.7 per cent, or approximately $1,500,000, in Ontario being the largest.

Of the larger cities, Toronto reported an increase both over June, 1931, and July, 1930. Montreal and Vancouver made gains in the former and losses in the latter comparison, while in Winnipeg the July, 1931, total was less in both respects.

Radio licenses issued for private receiving sets in Canada to July 31 numbered 452,879 compared with 523,100 to the same date in the fiscal year 1930-31. British Columbia was the only province to record a gain, this being but small.

MEAT PACKING, 1930, HOLDS UP WELL

Value of Production Declines 11 Per Cent From 1929 Peak

While the value of the output for 1930 of the slaughtering and meat-packing industry was 11½ per cent lower than in 1929, and 5½ per cent under 1928, it still retained its place as the second industry in Canada in order of value of production with a total of $164,000,000. It is preceded only by the pulp and paper industry in this respect. Classified according to value of materials used it ranks first.

Report of the Dominion Bureau of Statistics shows that there were 76 slaughtering and meat-packing plants in operation in the Dominion in 1930, two more than in the previous year. The quantity of fresh beef sold during the year was approximately six per cent lower than in 1929, and the average price fell about a cent, being 13.8 cents per pound as against 14.9 in the previous year. Pork, which ranks second in point of volume and value among the fresh meats, fell off 4.7 per cent in volume compared with 1929, average prices remaining practically the same

Following table shows the comparative value of production for the entire industry covering the past 10 years:

Year	Value
1921	$153,136,289
1922	143,414,693
1923	138,218,909
1924	133,740,271
1925	163,816,810
1926	167,127,091
1927	167,220,892
1928	174,096,419
1929	185,842,902
1930	164,029,953

Algoma

A reputation— as well as a name

Algoma Steel Corporation Limited

Sault St. Marie, Ont.

General Sales Office:
MONTREAL:
730 Canada Cement Building

District Sales Office:
TORONTO:
1206 Northern Ontario Building

— leading

General Stores Lead Most Retail Trade Groups in Volume of Business

Business Volume of Some Trade Groups In Order of Size

As shown by the Census of Distribution just concluded in the United States.

GENERAL STORES (numbering 87,000) $2,000,000,000 Volume
DRUG STORES $1,683,000,000
FURNITURE STORES $1,500,000,000
DRY GOODS STORES $1,100,000,000
COAL AND WOOD DEALERS $1,000,000,000
HARDWARE STORES $861,000,000
RADIO STORES $500,000,000
JEWELLERY STORES $53,000,000

(Note: — Food stores, automobile sales and associated services, department stores and men's and women's apparel; these only rank higher in sales volume than General Stores.)

IT IS little wonder, after looking at this trade survey from the U. S. governmental trading census, that Dr. Julius Klein, Ass't. Secretary of Commerce stated, "The old style country store—which most of us can remember, is still going strong, far from extinct and is now represented by 87,683 establishments with an annual business of two billion dollars."

Considering Canada's population as approximately 10% of that of the United States, the general stores of Canada in proportion are doing about $200,000,000 of business annually. As a matter of fact the number of general stores in Canada number more than 10% of the 87,683 listed in the U. S. census, so that the total volume of business of these stores in Canada is logically in excess of $200,000,000.

This great market — which exceeds the retail sales volume of dealers in hardware, drugs, furniture, coal and wood, jewellery and many other lines — is reached in Canada through THE GENERAL MERCHANT OF CANADA. — Read by 10,000 of the best general store merchants in the country.

THE GENERAL MERCHANT OF CANADA

Published Monthly by
BUSINESS NEWSPAPERS DIVISION
The MacLean Publishing Company, Limited
143-153 University Avenue, Toronto, Canada

DIVIDEND NOTICES

DIVIDEND NUMBER 218

Hollinger Consolidated Gold Mines, Limited

A dividend of 1% on the outstanding Capital Stock of the Company has been declared payable on the 9th day of September, 1931, on which date cheques will be mailed to shareholders of record at the close of business on the 26th day of August, 1931.

Dated the 19th day of August, 1931.

I. McIVOR,
Assistant-Treasurer.

The Cooksville Company Limited

DIVIDEND NOTICE

A Quarterly Dividend of One Per Cent (1%) on the Preference Shares has been declared payable September 15th, 1931, to Shareholders of record at the close of business on August 31st, 1931.

By order of the Board.

WM. TAYLOR,
Secretary-Treasurer.

Montreal, Que., August 20th, 1931.

Canadian Silk Products Corporation

DIVIDEND NOTICE No. 7

Notice is hereby given that a Dividend of Thirty-seven and One-half Cents (37½ Cents) per share has been declared on Class "A" Shares, of no par value, of this Company, payable 31st August, 1931, to Shareholders of record at the close of business 15th August, 1931.

By Order of the Board of Directors.

A. A. MUNSTER,
Secretary.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Preference Dividend No. 86

Notice is hereby given that a Dividend of one and three-quarters per cent. for the quarter ending the 30th day of September, 1931, being at the rate of seven per cent. per annum, has been declared on the Preference Stock of the Company.

Common Dividend No. 106

Notice is also hereby given that a Dividend of $1.00 per share for the quarter ending the 30th day of September, 1931, being at the rate of eight per cent. per annum upon the par value of the stock, has been declared on the Common Stock of the Company.

The above Dividends are payable on the 1st day of October, 1931, to shareholders of record at the close of business on the 15th day of September, 1931.

BY ORDER OF THE BOARD,

W. H. Nesbitt,
Secretary.

TORONTO 2, August 11, 1931.

THE ONTARIO LOAN AND DEBENTURE COMPANY

177th DIVIDEND

Notice is hereby given that a QUARTERLY DIVIDEND of 3 per cent for the current Quarter ending 30th September 1931 (being at the rate of 12 per cent per annum) has been declared on the paid up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on or after the 1st October, 1931, to Shareholders of record of the 15th September, 1931.

BY ORDER of the Board
T. H. Main, Manager.

London, Canada, 25th August, 1931.

Imperial Tobacco Company of Canada, Limited

NOTICE IS HEREBY GIVEN that an Interim Dividend (No. 94) of one and three-quarters per cent. (1¾%) on the paid-up Ordinary Shares of the Company has been declared payable on the 30th day of September, 1931, to Shareholders of record at the close of business on Wednesday, the 2nd day of September, 1931.

That a Semi-Annual Dividend (No. 39) of three per cent. (3%) on the paid-up Preference Shares of the Company has been declared payable on the 30th day of September, 1931, to Shareholders of record at the close of business on Wednesday, the 2nd day of September, 1931.

By Order of the Board.

F. P. L. LANE,
Secretary.

Montreal, P.Q., 21st August, 1931.

Canada Cement Company Limited

PREFERENCE SHAREHOLDERS
DIVIDEND No. 15

Notice is hereby given that a dividend of 1⅝% for the three months ending August 31st, 1931, being at the rate of 6½% per annum on the paid up Preference Stock of this Company has been declared, and that the same will be paid on the 30th day of September next to Preference Shareholders of record at the close of business August 31st, 1931.

H. L. DOBLE,
Secretary.

Montreal, August 18, 1931.

P.T. LEGARÉ CO. LIMITED

DIVIDEND NOTICE

The regular 1¾% quarterly dividend on the 7% Preferred Stock of this Company has been declared for the quarter ending August 31st, 1931, payable on the 1st day of September, 1931, to shareholders of record at the close of business the 15th day of August, 1931.

By order of the Board.

P. C. FALARDEAU,
Secretary-Treasurer.

Quebec, August 1st, 1931.

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th September, 1931, being at the rate of twelve per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Thursday, the 1st day of October, 1931, to shareholders of record of the 19th September, 1931.

By Order of the Board.

C. A. BOGERT,
General Manager.

20th August, 1931.

Heads Toronto Agency

D. M. Roberts, of the National Life Assurance Co. of Canada, has been appointed manager of the Toronto branch office at 36 Toronto Street. Mr. Roberts was formerly connected with the investment banking business, having been general manager of H. R. Bain & Co., Toronto.

WORLD VOLUME WHEAT SHIPMENTS EXCEEDS AVERAGE

Canada Took Big Part Shipping One-third of 1930-31 Total

Reviewing the crop year 1930-31 and some of the important factors that developed during the course of the season, the Dominion Bureau of Statistics, Agricultural Branch, quotes figures to demonstrate that in spite of economic distress in many importing countries, in spite of unprecedented regulation of trade in wheat, and of general lack of purchasing power, the ultimate world demand was reasonably satisfactory, even though the price level was very low. World shipments in 1930-31 amounting to 787 million bushels exceeded shipments in 1929-30 by 175 million bushels, and were 25 million bushels in excess of the average for the previous five years. The physical volume of wheat movement during the year is interpreted as an encouraging factor.

Four outstanding features of the crop-year just closed which affected the course of wheat trade were, first and most important, the return of Russia as an exporter. Next, the partial withdrawal of the United States from the export market; the monetary situation that developed in the Argentine and Australia as a result of the depreciation of the currencies of these two exporting countries; and finally, the German financial crisis and the consequent hesitancy in regard to international trade.

Canada's Share

Canada's participation in the world's wheat trade during the year is regarded with satisfaction. In face of the rigorous competition from Russia and the Argentine Canada contributed practically one-third of the world's wheat shipments with 258,637,887 bushels. While this was about 50 million bushels under the average for the previous five years it was over 72 million bushels heavier than the total shipments in 1929-30. A sharp decline was recorded in July, however, when a little over 14,000,000 bushels were shipped as against nearly 23,000,000 in June and an almost identical figure in July 1930.

After reviewing European agricultural situation the report of the Bureau outlines hopeful factors as follows:

"It is clear that the solution of the present wheat problem lies largely with the exporting countries, assuming a normal recovery in European purchasing power with the lifting of the present depression. This, in itself, is a hopeful outlook because there is ample evidence that exporting countries have already commenced to make the necessary adjustments in their production programmes. The last few months witnessed a definite turning point in the policies of exporting nations.

Acreages Reduced

"The Argentine and Australia have made acreage reductions estimated from 15 to 30 per cent of their 1930 acreages. With normal yields there will be reduced production in the southern hemisphere in 1931. The United States made a three per cent reduction in 1931 acreage and will in all probability, make a substantially greater reduction next year as a result of the present unprofitable price levels in the United States. Canada will produce a very short crop in 1931 and with a moderate export trade during the coming 12 months the Canadian surplus will probably be materially reduced. These are trends that must necessarily precede an improved sentiment in the world's wheat market."

Dept. of Labor Issues Report on Associations

From Our Own Correspondent

MONTREAL.—The tenth annual report of the Federal Dept. of Labor on Organization in Industry, Commerce and the Professions, for the year 1931 has just been distributed. The volume, in addition to containing some idea of the developments of organization in industrial and commercial life of the Dominion, contains much information in regard to societies whose members are engaged in professional, technical and scientific pursuits.

The organizations are divided into eighteen groups, the first seven divisions containing the names of 355 main and branch associations with a combined membership of 48,545. These divisions are composed of persons or firms who are identified with industries in which wage earners are employed.

In the remaining ten groups, employment of labor is in some cases only incidental. The names of all classes of associations published in the volume number 837 main bodies and 477 branches, making a total of 1,314 associations with a combined membership of 967,865.

Winnipeg Spends Heavily on Unemployment Relief

From Our Own Correspondent

WINNIPEG.—The total cost of direct unemployment relief in the city to date this year has been $1,315,000. Administration costs amounting to practically $65,000 have been borne by the city, and the balance has been divided evenly between the city, the province and the Dominion government, in shares of approximately $417,000 each. At August 15 there were 2,785 married men on relief, 2,555 single men, and 179 single women. Continuation at the same rate will mean a total cost to the city for relief in excess of $750,000, against the $300,000 which the budget originally provided.

In anticipation of new measures to be taken by the Dominion government the city council has prepared a list of construction projects within the city which might be proceeded with, totalling $30,000,000. It was not the intention to urge all of these upon the provincial and Dominion governments for immediate action, but rather to indicate projects which might be undertaken.

DIVIDEND NOTICES

THE MOUNT ROYAL HOTEL COMPANY, LIMITED

A dividend of one per cent (1%) on the Six Per Cent Preferred Stock of The Mount Royal Hotel Company, Limited, has been declared, payable August 29th, 1931, to Shareholders of Record at the close of business August 26th, 1931.

By Order of the Board.

M. A. THOMSON,
Secretary.

Montreal, August 25th, 1931.

Newfoundland Power Completes Hydro Plant

From Our Own Correspondent

MONTREAL. — Newfoundland Light and Power Co., subsidiary of International Power Co., has completed its new hydro-electric plant at Pierres Brook and the unit is being tuned up for production in the near future. The entire output of 5,000 horsepower has been contracted for by Dominion Steel and Coal Corp.

Delivery of energy to Dominion Steel and Coal properties on Bell Island has been effected through laying submarine cables under the 3 miles of ocean which separate Newfoundland from the Wabana mines on Bell Island. Power from the company's system has been delivered to Wabana under contract since the beginning of the year.

Cost of the power development was financed partly through the issuance of $800,000, 5½ per cent first mortgage bonds of Newfoundland Light and Power in April, 1931. There were also outstanding at that time $1,345,500 of 6½ per cent bonds and $490,000 of 7 per cent debentures. The $1,500,000 of common stock is nearly all owned by International Power.

MANITOBA PROVINCE SLASHES SALARIES

From Premier and Legislators Down, Civil Service Payments Cut

From Our Own Correspondent

WINNIPEG. — Salary reductions in the civil service of Manitoba, ranging from two to twelve per cent, to take effect on September 1, have been announced by Premier Bracken. A somewhat temporary appearance to the reductions is given by the fact that they have been put on a time basis, and in some cases at least they will be made effective by means of a proportionate reduction in working time. On salaries of $6,000 or over the reduction is to be 12 per cent or the equivalent of six weeks; on $5,000 or over, 10 per cent or five weeks; on $4,000, eight per cent or four weeks; on $3,000, six per cent or three weeks; on $2,000, four per cent or two weeks; while salaries under $2,000 will be reduced by two per cent or the equivalent of one week. In the regular civil service the reductions have been made efffective by order of the government, and similar action has been recommended and is expected to be taken in the educational and commercial organizations directly dependent upon the government. How adjustment will be made in the case of trade union labor, as for example linesmen employed by the Provincial Hydro Commission, has not been indicated, but if it is necessary to maintain hourly or daily rates in effect by agreement, it is understood that proportional lay-offs will be made.

The reduction applies from the premier down, and it is intended to apply it to legislative indemnities as well as to regular salaries. Special legislation will be required in connection with the former, and it is just possible that the legislature will consider a somewhat larger proportional cut in the members' annual indemnities of $2,000.

In making the announcement of the cuts the premier said: "The government proposes to do whatever may be necessary to see that neither agriculture nor men and women, willing to work but now out of employment shall be made to carry the major burden of the depression. We propose to overcome the ill-effects of the depression by an equitable sharing of the burden. We conceive it to be our duty to see that all who are in fortunate position of having jobs, as well as those who are in the fortunate position of having an accumulation of wealth, shall bear a just portion of the burden of meeting this situation."

These words, going as they do somewhat further than was necessary in announcement of salary reductions, are taken to mean an intention to increase income tax rates at the next session of the legislature.

BATHURST PRODUCES NEW KRAFT BOARD

Initial Shipments Made from Converted Equipment

From Our Own Correspondent

MONTREAL.—Trial shipments of kraft fourdrinier board manufactured by Bathurst Power and Paper Co., have been shipped to Montreal, London and Toronto. This represents initial production from equipment recently installed at a cost of $100,000.

Owing to the unsatisfactory market prevailing last year for kraft pulp, the Bathurst management decided to manufacture the finished product. Necessary operations were commenced last year to convert one of the newsprint machines for the manufacture of kraft container board; it is stated that the mill is now on a 24 hour shift, for six days a week.

Operations Were Cut

Business conditions and the situation in the newsprint industry in particular adversely affected operations of the company in 1930. Production of newsprint for the year was about 61 per cent of capacity, while operations of the sulphite and kraft mills were drastically curtailed.

Earnings were $132,954 as compared with $281,550 in the previous year. No provision was made last year for depreciation of building plant and machinery, though depletion of timber limits at the rate of $1 per cord on wood cut was provided.

Can. Foundries, Forgings Adds Many New Lines

That business in general hardware lines has been reasonably good of late considering conditions generally, was the statement made to Hardware and Metal on behalf of Canada Foundries & Forgings Ltd., Brockville, Ont., by D. R. Fowler, general manager, while on a business visit to Toronto. Lawn mower business during the past season was said to have been particularly good. "We have figured on bringing out a new line approximately every month," said Mr. Fowler, "and have found this a splendid means of keeping up the interest of our customers. For instance, a while ago we brought out a wooden handled cast iron frying pan, and it has had a splendid sale."

Asked concerning Western Canada business Mr. Fowler said that many parts of the West were giving a very good account of themselves. Particularly was this the case with Northern Alberta where the company had found it necessary recently to place a local supply of its goods for the trade. A warehouse had been opened for this purpose in Edmonton. The company has been carrying on some interesting experiments recently with heating equipment and a newly designed all steel, electrically welded furnace for using oil and other fuels will be displayed at the forthcoming Canadian National Exhibition in Toronto at the booth of the Fess Oil Burner Company.

Purchase of High Grade Stock

Three hundred pure strained dairy and beef calves have been purchased through the New Brunswick Department of Agriculture and are now being distributed among the forty-three calf clubs in various parts of the province. The majority have been obtained from provincial stock breeders and the balance in Quebec and Nova Scotia. They include Jerseys, Ayrshires, Holsteins, Guernseys and Shorthorns.

MUST SELL WHEAT TO COLLECT BONUS

Government Subsidy Not Applied to Wheat Held or Fed to Cattle

From Our Own Correspondent

WINNIPEG. — Announcement has been made by the Board of Grain Commissioners of the method to be followed in paying the Dominion Government bonus of five cents per bushel on wheat grown in the prairie provinces during 1931. Essentially it is to be a direct payment by the Dominion Government to the producer of wheat, provided such wheat is marketed before July 31, 1932. Wheat retained on the farm for seed or feed will not qualify for the payment, nor, unless regulations should subsequently be amended, will wheat retained by the farmer on the farm in the hope of securing a higher price the following year. The bonus is to the grower, and not to the owner of wheat, so that landlords and other creditors entitled to part of a crop will not benefit, but the whole bonus will be paid direct to the grower.

When wheat is delivered to a country elevator and either sold by the wagon load or placed in graded storage, the elevator agent will issue a bonus certificate for the number of bushels delivered. This certificate must be either handed direct to the grower or mailed to him. The grower may then take it to a bank and have it cashed, at the rate of five cents a bushel. When grain is shipped by the grower in car-load lots through an elevator or loaded direct over the platform, separate bonus certificates will not be issued for each wagon-load, but one certificate for the whole car will be issued by the grain company handling it after the grain is inspected.

Bonus certificates or claim for bonus may not be assigned, and the bonus and the certificate are exempt from attachment or garnishment by any process whatever.

Will Be Million Slips

The total amount to be paid out is estimated at between six and eight million dollars. Over a million separate certificates will probably be issued and paid. The responsibility of checking the correctness of payments will be divided between the grain companies, who will certify that the certificates issued by their agents were properly issued, and by the Board of Grain Commissioners, who are setting up a staff of accountants and clerks. Certificates will be in triplicate, with one copy for the use of the grain company, and one for the Board of Grain Commissioners.

Although in the first place the bonus was announced as being applicable to wheat exported only, it will be seen that it is actually to apply to all wheat sold by farmers, that is if it is produced in 1931 and sold within the current crop year. This is in accordance with previous forecasts made by The Financial Post. The fact that bonus certificates may be issued by any licensee of the Board of Grain Commissioners will prevent any difficulty arising in connection with wheat sold to mills, either local or central.

Seek Cut in Apple Rate from Coast to Prairies

From Our Own Correspondent

REGINA.—The provincial government of Saskatchewan is joining with the government of Alberta in opposing before the railway commission increases in the carload rates on bulk apples from British Columbia to correspond with the rate on boxed apples, which have been proposed by the railway companies. While the traffic in bulk apples is not very large there are a number of points on the prairies where the farmers have been accustomed to bring them in by the car-load, in co-operative shipments for distribution direct from the car to a number of farmers participating in the shipment. At the present time the rate on such shipments is approximately two-thirds of the rate applying on boxed apples, or for the majority of points in Saskatchewan from 65 to 85 cents per hundred pounds. The apples so transported are usually those of the second grade, not suitable for boxed trade.

Nominate Canadian as I.B.A. of A. Governor

Russell D. Bell, of Greenshields & Co., Montreal, has been nominated for a post as governor of the Investment Bankers Association of America.

Allan M. Pope, of New York, executive vice-president of the First National Old Colony Corporation, has been nominated for the presidency of the Investment Bankers Association of America for the year 1931-32. As nomination by the association's board of governors has always been equivalent to election, it is expected that Mr. Pope will take office at the close of the association's twentieth annual convention, which will be at White Sulphur Springs, W. Va., November 7 to 11. He will succeed Henry T. Ferriss, of the First National Company, St. Louis.

Select Fiscal Expert to Aid Newfoundland

From Our Own Correspondent

MONTREAL. — Selection of Sir Percy Thompson, deputy chairman of the Board of Inland Revenue in England since 1919, as collaborator with the Newfoundland Government in connection with its new fiscal programme, has been announced.

Robert J. Magor, of Montreal, has been selected to associate himself with the Newfoundland Government for consultation regarding reorganization of the public services. These include the Newfoundland railway, steamships, dry docks, telephones and telegraph systems.

Seed Potatoes in Demand

New Brunswick growers of seed potatoes are growing a larger crop this season in anticipation of extended foreign markets later in the year with particular hopes directed toward South America and the Union of South Africa. Test shipments are to be made in the fall to Argentina and South Africa.

New Refinery Starts Production

The new plant of the Northwest Stellarene Company at Coutts is now operating and constitutes Alberta's first "vaporphase cracking" petroleum refinery. Equipment of the new plant is of modern design. The refinery will obtain its crude from the Red Coulee field and will market its products through sales offices in Lethbridge, Calgary and other points.

Crop Prospects

ROME BUREAU VIEWS OUTLOOK RUSSIAN CROP

Believes Coming Harvest One of Great Importance to World

A wheat crop of "great importance" is predicted currently for Soviet Russia, according to the July report of the International Institute of Agriculture at Rome. Acreage is said to be approximately 93,000,000 acres, which is some 7,000,000 acres above the five-year average. Last year a yield of 12.7 bushels to the acre, the highest in recent years, was obtained and unless very serious damage to spring wheat occurs during the period of flowering and ripening, U. S. S. R., says the report, will have at its disposal for the foreign market in the season of 1931-32, "quantities of the new crop of great importance considered in conjunction with the good prospect for the rye crop which occupies an area not much smaller than that under wheat."

Average production in Russia during the past five years has been about 11 bushels to the acre and the situation of crops as at July 1, was considered to vary from average to above the average for winter wheat which covers about 30,000,000 acres, and average or below the average for spring wheat on an area of 53,000,000 acres.

"The development taking place in wheat growing in the U. S. S. R. is a phenomenon which must be considered very attentively because it is occurring even during a period of disequilibrium between supplies and requirements and of price crises, and also because it will permit the concentration under the sole direction of the State monopoly, of the large quantities of wheat for export, the relative importance of which seems destined to grow in proportion not only to the greater supplies of the U. S. S. R., but also to the smaller surpluses of the other exporting countries where growing of the crop is in regression. Russian wheat production in 1930, according to the official data, was 650 million centals (1,080 million bushels) with a yield of 12.7 bushels per acre which seems to be the highest obtained in recent years. Yields per acre from 1925 to 1929 in order of time were as follows: 12.4—12.4—9.8—11.0—9.8 bushels; average for the five year period: 11.0 bushels.

"A detailed examination of the prospects of production throughout Europe at the beginning of July leads to the opinion that, if no further damage occurs in the final period of ripening and during the harvest, the wheat crop in Europe (excluding the U. S. S. R.) may be round about 840/850 million centals (1,400/1,420 million bushels), exceeding, therefore, the 820 million centals (1,370 million bushels) obtained last year by about 20/30 million centals (30/50 million bushels). For rye and barley, on the contrary, a crop smaller, though not very much so, than that of 1930, seems probable, and for oats a somewhat more abundant crop."

Harvesting Proceeds in Saskatchewan

From Our Own Correspondent

REGINA. — With generally favorable weather prevailing good progress has been made with harvesting operations, about 50 per cent of the wheat being cut, according to telegraphic reports received over the week-end by the statistics branch of the Saskatchewan Department of Agriculture.

In central and south central Saskatchewan much of the wheat and coarse grains will be cut for feed, and the late re-seeded crops are being left in the hope of a continuance of favorable growing weather. Some good yields are expected in the northern districts, but in the central and southern districts much of the crop will not be any better than indicated in earlier reports.

Sawfly damage becomes more apparent as harvesting proceeds and grasshoppers are quite numerous. Scattered hail storms have occurred and fairly severe damage is reported in the Avonlea district. A few reports of rust have been received, but the development has not been sufficient to cause alarm. The potato crop in the northern districts appears to be better than last year, and in the drier areas, although very light, it appears to have withstood the drought remarkably well. The past two weeks have been mostly warm, with some local showers. Livestock are in fair condition

IMPERIAL OIL'S GALLON SALES UP

Sales of Gas Through Refineries Ahead of Last Year

According to operating reports from various fields in Canada by Imperial Oil Ltd., gallonage sales for the current year to date are now exceeding those of the corresponding period of 1930. Sales of gasoline through refineries are considerably ahead of last year and sales by the company's own service stations are said to be holding up fairly well. A slight falling off in tourist trade during July and August has, however, reduced to some extent the rate of gain established in the first half of the year.

On the other hand sales of lubricating oils to industrial concerns, which is considered to be a good index to general business conditions, are not as great as last year due to the general slowing down of industrial operations.

WHEN REMITTING
SEND
CANADIAN NATIONAL EXPRESS
MONEY ORDERS

INVESTORS' CHRONICLE
6d Established 1860 6d
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain.
Under the head of "OVERSEAS FINANCE," a weekly feature, the Foreign Exchanges and the factors that affect them are carefully reviewed by cable and mail.
Special Correspondents at all Financial Centres at Home and Abroad.
Signed articles appear in each issue on Economic Subjects.
A free specimen copy will be forwarded on post-card application to:—
THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON, E.C. 2, ENG.

HIGH TRIBUTE PAID MACMILLAN BANKING REPORT

Bank of Nova Scotia Finds It of Great Economic Importance

High tribute to the recently-published report of the Macmillan committee on the problems of British and world banking is paid in the current monthly review of the Bank of Nova Scotia. "Generally speaking," says the review, "the report of a royal commission or of a parliamentary or treasury committee is not regarded as being of great importance. Occasionally, however, the labors of such a body produce a document of great consequence."

Such a report is the Macmillan document, believes the Bank of Nova Scotia, and it will quite possibly be read and re-read by students of these problems for many years to come, for while it contains certain recommendations with regard to specifically British policies, it also discusses in considerable detail, the troubles facing the world's bankers, business leaders and statesmen as a whole, and does not hesitate to make suggestions with a view to more effective concerted action by the great central banks of Britain, the United States and France, upon whose wisdom and energy, courage and willingness to co-operate the future of all business in all countries so largely depends at the present time.

A Complete Diagnosis

"These recommendations are preceded by a diagnosis of the nature of the present depression and the reasons therefor, which can be read with profit by any intelligent banker or man of business who is willing to take the trouble, and which may fairly be described as the most complete, comprehensive and convincing of all the many diagnoses that have been made public within the past two years.

"Under the chairmanship of Lord MacMillan, the committee was appointed on November 5, 1929, to enquire into banking, finance and credit, paying regard to the factors both internal and international which govern their operations, and to make recommendations.

"The committee included in its membership, among others, Lord Bradbury, The Hon. R. H. Brand, Professor T. E. Gregory, J. M. Keynes and The Rt. Hon. Reginald McKenna. The full title of the report is: Committee on Finance and Industry: Report: Cmd 3897, 1931: H. M. Stationery Office, London.

Maintenance of Prices

"Perhaps the most striking feature of the Report is the quite explicit statement made in this connection that the aim of central banks should be 'to maintain the stability of international prices both over long periods and over short periods; i.e., they should both keep the average steady over a period of years, and avoid fluctuations round this average from year to year . . . The method of achieving this object should be to regulate the volume and terms of bank credit so as to maintain as much stability as possible in the rate of new investment and new enterprise generally, both at home and abroad . . . With this end in view the Central Banks should confer together at brief intervals to decide whether the general tendency of their individual policies should be toward a relaxation or a tightening of the terms of credit.'

"The committee adds, 'There is no need to minimize the difficulty of the high enterprise which we would like to see the central banks of the world put in hand.' Nevertheless, it has little patience with scoffers. 'When practical bankers and business men can explain clearly the causes of the trade cycle, why prosperity is followed by depression, and depression by prosperity, and can find practical means to avoid the economic waste caused thereby, and when they can adjust more satisfactorily the powers of the modern world to consume and absorb wealth, with its powers to produce wealth, they will have more justification than they now have in ignoring and treating as of little or no consequence economic research into these very difficult but vitally important problems.'

"The maintenance of a stable price level is thus advanced as the prime objective of international banking policy. Indeed the committee regards it not merely as the most important objective of a monetary policy but (it is not unfair to say) as the most important objective of all social policies, and the necessary foundation for other social policies with more detailed objectives. 'In many respects it is the social rather than the directly economic consequences of falling prices which are the most serious. For price changes raise delicate issues of equity between different classes of the community, the resolution of which presents grave difficulties . . . A study of history would, we believe, confirm the opinion that it is in the changes in the level of prices, and in the consequential alteration in the position of debtors and creditors, entrepreneurs and workers, peasants and the tax gatherer, that the main secret of social trouble is to be found.'

Causes of Depression

"As regards the possible consequences of a shortage of gold in the future, the committee is in substantial agreement with the two published reports of the Gold Delegation of the League of Nations. It is far less concerned today with gold shortage, than with the maldistribution of gold, as between debtor and creditor countries, largely owing to certain features in the situation of the United States and France. Among outstanding present causes of instability, the following are listed:

"'(a) The burden of the war debts: the principal debtor, Germany, has until recently not been able to discharge her obligations by means of the delivery of goods, but has been forced to adjust her situation by short and long borrowings from abroad.

"'(b) The entry of the United States into the group of the chief creditor countries has caused a dispersion of initiative and responsibility in the leadership of international finance.

"'(c) Many of the loans incurred since the war have been for non-productive purposes, having been of a political character or to balance budgets or to support the exchanges, or to build up currency reserves . . .

"'(d) The perils of the war and post-war period, and the unfortunate currency experiences of many countries, have led to a greatly increased preference for liquid assets as compared with long-term securities. Especially there has been a tendency on the part of many countries to pile up liquid claims in the leading financial centres, instead of embarking on foreign fixed investment or funded obligations. France, the third largest creditor country in the world, appears to have employed virtually the whole of her international surplus during the last three or four years in the purchase of gold and short-term liquid claims; while the attitude toward long-term foreign securities of the investors of the United States, which is now the second largest creditor country next after ourselves, has fluctuated violently. The effect on prices internationally of an increased preference for employing resources in the purchase of liquid claims, including gold, is the same as is that of hoarding in a primitive community . . .

"'(e) Movements of gold have ceased of late to have what used to be considered their "normal" effect on the domestic credit policy of certain countries, notably France and the United States . . .

"'. . . Even a large increase in the current supplies of new gold would not do much good so long as the causes persist, which have led to the present maldistribution of gold. For the additional supplies would soon find their way to the same destinations'

Basis For Recovery

"'The first means toward the restoration of the international price level,' reports the committee, 'must necessarily be taken on the initiative of the creditor countries and . . . must consist partly in a greater willingness to buy and partly in a greater willingness to lend

"'Failing this, the creditor countries will soon have sucked in all the gold available in the hands of the debtor countries; and this may entail a series of defaults, preceded by an effort to avoid such dishonor by severe curtailment of credit and purchasing power, attended by a low or falling price level.'

"'For the creditor countries to fail in taking steps to relieve this stringency would be exceedingly short-sighted, having regard to their own creditor position.'

"The committee recommends that the central banks and treasuries of creditor countries should do everything that lies in their power, within the limits of safety, (a) to remove hindrances in the way of opening their markets to the reception of foreign loans; and (b) to permit a volume of drastic credit which will encourage the reception of any foreign issues that they may think attractive. It is not essential that the loans should be made to the weaker debtor countries. It is often better that such countries should be helped by improving the market for their exports.

Domestic Aids Are Needed

"'It is not even essential that the new loans should be foreign loans . . . For construction programmes within creditor countries will tend to increase the imports of such countries relatively to their exports, and this will relieve the pressure on the debtor countries. If a creditor country is disinclined to lend its savings to a debtor country, then let it employ its savings at home . . . We repeat that it is the simultaneous reluctance of creditor countries either to lend or to buy which is the cause of the crisis.'

"The committee urges that there would be advantages in a general international discussion on what might be termed, 'The Restoration of International Trade;' and endorses by implication the proposal (which was discussed in the press some months ago) to create a private international corporation (with a capital subscribed by all the big financial institutions in the centres concerned, who are interested in foreign loans); for 'In many cases, no single creditor is willing to take the risk, which is absolutely required in the interest of creditors as a whole'."

"Apparently Drowned" Do you know what to do?

Artificial Respiration by the Prone Pressure Method is a simple means of saving the lives of persons apparently drowned.

MANY persons apparently dead from drowning may be saved if natural breathing is stimulated by means of artificial respiration. Hundreds of lives are lost each year because this very simple method for saving life is not promptly used.

Everyone should know how to revive the apparently drowned. Often they are not dead though life seems to be extinct. Patient, persistent manipulation of the right kind would bring them back to consciousness. It is heart-breaking to think of the lives that could have been saved if some one in the crowd, standing paralyzed with fright, had but known the simple manipulation necessary to rekindle the vital spark.

This summer be prepared. You may be in a position where you can save a life and help to reduce the tragic number of fatal drowning accidents. It is startling to learn from the Dominion Bureau of Statistics that in Canada deaths from drowning *about equal* those caused by automobile accidents.

The Metropolitan has prepared a booklet "Artificial Respiration" which shows by diagram just how to restore breathing by manipulation of the apparently drowned person, as well as what to do in a case of gas suffocation or electric shock.

The information contained in this booklet is valuable and may be wanted any moment. Your name and address on the coupon below will bring this booklet to you free.

SEND THIS COUPON TODAY

Metropolitan Life Insurance Company Dept.
Ottawa, Canada.
Please mail without cost to me a copy of the booklet, "Artificial Respiration", which shows how to revive the person apparently drowned, or suffering from gas suffocation or electric shock.
Name
Street
City

METROPOLITAN LIFE INSURANCE COMPANY
FREDERICK H. ECKER, President
CANADIAN HEAD OFFICE • • OTTAWA, CANADA

The Western Savings & Loan Association
First Mortgage Loans
Agencies throughout Manitoba, Saskatchewan and Alberta
Head Office: Winnipeg, Man.

Broder Financial Agency
Financial Agents
Real Estate Insurance Loans
1812 Rose St. Regina, Sask.

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY - CANADA

Black & Armstrong
Real Estate, Valuations, Rentals, Farm Lands, Mortgages and Insurance.
200 Toronto General Trusts Bldg.,
Winnipeg, Manitoba

C. H. ENDERTON & CO.
Established 1890
Real Estate Investments, Mortgage Loans, Insurance, Rentals, Stocks and Bonds
Members Winnipeg Stock Exchange
222 Portage Avenue,
WINNIPEG

Weber Bros. Agencies Limited
PROPERTY MANAGEMENT
REAL ESTATE—INSURANCE
FINANCIAL AGENTS
Edmonton Credit Building,
Edmonton, Alberta

Your Investments

Questions and problems on Canadian investments submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram.

Dom. Engineering

Please be good enough to give me some information regarding Dominion Engineering Co. I hold some of these shares, but do not know whether to sell or hold on.

Dominion Engineering Works has been faced in the past year with contraction in its business with pulp and paper companies. In previous years this constituted a large volume, the result has been that operations have been curtailed and dividends, as you know, suspended. The company, however, is seeking to diversify its output while it is still fairly active in its hydraulic division. Whether you should retain this stock necessarily depends upon your own decision. If you are prepared to hold on for a few years, indications are that the company may improve its position: whether you are prepared to forego dividend payments for a period depends upon your own financial position. Conditions in the newsprint industry do not point to an early resumption of paper machinery orders for Dominion Engineering on the scale which has prevailed in the past few years; on the other hand, the company is one of the leading manufacturers of hydraulic equipment.

Canadian Light

Do you consider the bonds of Canadian Light and Power Co. satisfactory? I hold a few of these and would like an opinion on the organization.

Canadian Light and Power Co. sells the majority of its power under long-term contracts, while a ready market obtains for the balance of its output. Earnings have shown a tendency to increase in recent years, culminating in the declaration of an initial dividend on the common stock payable in April, 1931. The company is controlled by United Securities which in turn is jointly controlled by Montreal Power and Shawinigan. Canadian Light and Power operates under a strong management.

Lake of the Woods

In view of the situation in the milling industry, I have been wondering what position Lake of the Woods milling Co. occupies. I purchased some of these shares at considerably higher levels; what do you think of the outlook for the company?

The milling industry in general is facing serious problems and Lake of the Woods Milling Co. is confronted with its full share of these difficulties. Earnings last year showed a sharp decline, resulting in a deficit after all charges of $464,068. Early this year $4,000,000 of bonds were issued to the company's bankers to liquidate loans which were outstanding at the end of August, 1930, to the extent of $3,940,000.

It is possible that steps may be taken by the milling interests to strengthen the position of the industry in Canada by some form of co-ordination; until there is an improvement in present conditions, the outlook for Lake of the Woods is not very encouraging, as far as the immediate future is concerned.

Winnipeg Electric

Among my holdings are some 6 per cent general mortgage refunding bonds of Winnipeg Electric Co. I am wondering whether I should sell these securities; what do you advise? Was bond interest earned last year?

Whether you should sell your Winnipeg Electric Co. bonds depends upon your own financial position and other investment holdings. Present quotations do not indicate the likelihood of any immediate adverse occurrences, though earnings during the first half of the current year showed a decline. As you probably know, profits of Winnipeg Electric have been affected by lower revenue from its tram utility; the new tariff schedule, however, which has been granted, should tend to aid profits in this division in the future. The company is also seeking release from paving charges and taxes and any success along this line should also work in favor of the tramways utility. Earnings in 1930 were sufficient to cover bond interest, after depreciation, twice over.

Foundation Co.

As a reader of The Financial Post I would be obliged if you would give me an opinion on Foundation Co. of Canada and some information regarding current operations.

Our understanding is that Foundation Company of Canada is making satisfactory progress with a fair volume of orders at the present time. The company has some substantial contracts on hand including construction work on the High Falls development of MacLaren-Quebec Power Co., Canadian National Railways Terminals scheme in Montreal, work in Saint John Harbor, and a big sewer job of around $500,000 in Montreal. Indications are that the company will receive a contract involving over $700,000 in Toronto in the near future.

Though no figures have been published, earnings are reported to be on a relatively satisfactory basis. In the fiscal year ended April 30, 1931, net profits were $183,822, which was equal to $2.17 a share on the common stock. A dividend of $1 a share has been maintained on this stock since August, 1929. The company has done well since control was secured by a Canadian group in 1929, and is well equipped to handle business in building, engineering and marine work.

Dominion Tar

I hold some common shares of Dominion Tar and Chemical Co. which I bought at higher prices than those prevailing today. Is the company doing well and do you look for dividend payments soon?

Dominion Tar and Chemical Co. has made progress since its inception and occupies a strong position in the industry it serves. The company has consolidated its position by acquiring other companies and has diversified its activities in several directions. Main source of revenue in the second quarter showed important department of the company, is derived from sale of ties to the railways. Owing to business conditions, railroads have curtailed their construction programmes, a factor which has found some reflection in earnings of Dominion Tar. Eventually the company may be expected to realize on the strong industrial position it holds; immediate prospects for dividends on the common stock appear to be somewhat remote.

Canada Biscuit

Would you mind giving me some information regarding the present standing of Canada Biscuit bonds, and if it is true that the company is having a rather difficult time at present? Is there any possibility of their passing up the interest on these bonds?

Since the Canada Biscuit Company does not publish its financial statement we have no authoritative information as to how the company is doing. Generally speaking we know that they ran into considerable difficulties almost from the start of operations as a merger. Undoubtedly many of the companies that were taken into the merger were priced at a figure far above their earning power. It has taken several years of hard work to straighten out some of the operating and merchandising problems involved. In the meantime the company's working capital has been considerably reduced by the necessity of meeting payments of bond interest. Unpublished figures which we have seen indicate that progress has been made in recent years, and our understanding is that in the current year the company maintained its 1930 record despite the decrease in purchasing power of the country. As many of those who put their properties in the merger are chiefly interested in the preferred stock you may take it for granted that every effort will be made to continue bond interest, and unless conditions take a turn for the worse we would expect it to be paid regularly. The position of any corporation with a high bonded indebtedness such as this one has can never be particularly rosy in a time of continued business depression, but at least its affairs seem to be in much better shape than they were about one year after the merger.

American Stocks

I would like to have your opinion on Procter and Gamble's common stocks and if you would recommend its purchase at current quotations?

Also the Common B stock of American Cyanamid Company.

The Financial Post does not attempt to express opinions on securities other than Canadian. We are in a position to inform ourselves in some detail on the situations surrounding Canadian stocks but in specializing in such securities we find it necessary to leave to others the task of analyzing and commenting upon American and foreign securities. That is why we have a rule against answering enquiries relating to securities that are not strictly Canadian.

Stock Exchange Bldg.

A widow with little capital, has $1,600 invested in first mortgage bonds of the Stock Exchange Building Corporation. The coupons on these bonds have been returned unpaid. Would you kindly express your opinion of this corporation and its prospects for making its interest payments? Is there any market for these bonds without showing any great depreciation on the investment?

We are informed that the coupons of the Stock Exchange Building Corporation that were returned unpaid on August 1st should have been met. We are told that the trust company, through some error, failed to deposit funds for payment of these coupons in the Banks of Toronto but the omission has since been rectified. We are informed by financial sponsors for this issue that current net earnings cover bond interest one and a half times and that the building is about ninety per cent rented. If your client will send her coupons through she will undoubtedly receive payment for them, but if further difficulty is experienced we should be glad to have you let us know.

Bank Guarantees

Having moneys in three different banks namely: Bank of Montreal, Bank of Commerce and Royal Bank, does the Dominion government stand behind these banks?

The Canadian government in no way guarantees the security of any transactions with any Canadian banks. Bank notes are guaranteed by a central fund to which all the banks contribute and they in effect are guaranteed by every bank, and not only by the bank which issues them. But the Dominion government does not subscribe to this guarantee.

A List of Securities

Since you kindly offer your criticism of investments I submit to you my list, with the prices paid. In most cases they are above (some much above) those ruling now. If I hold on, do you think I will see these prices back?

We see no particular reason why you should worry about your Canadian investments. Your Victory bonds, and City of Montreal bonds, are of course, thoroughly safe, and have sufficient term to run that you do not have to worry about any early conversion into lower interest securities.

Bank of Montreal has of course suffered from the general depression and has undoubtedly experienced severe losses on many accounts. We are informed by very high authorities among Canadian banks that there is no bank institution in Canada that has not a large enough hidden or secret reserve to cover all losses likely to be experienced during the current depression. If this is true, and we have considerable faith in our sources of information, Canadian bank shares at present levels have considerable attraction for investors and this is most certainly true of the shares of a bank such as Bank of Montreal which has over one hundred years of successful operation behind it, and which is somewhat in the nature of a national institution.

Canadian Pacific Railway may have a few more lean years ahead of it. Railway earnings have shown a tendency to decline in Canada in recent years due to the competition of trucks and recently due to the short crops in Western Canada. Canadian Pacific is particularly well fortified to meet the truck competition since it is a trans-continental line making its chief revenues from long haul business. The keenness of competition between the C.P.R. and C.N.R. has tended to reduce C.P.R. earnings, but what is more important it has tended to force C.P.R. into many capital expenditures that it might otherwise have postponed. This competition has gone to the point where it is not an economic proposition for either the Canadian National or the Canadian Pacific and the present tendency for greater co-operation between the two lines is a necessary and hopeful factor in the situation. C.P.R. earnings will probably not be very satisfactory until there is a broad scale general recovery in Canada and a complete re-establishment of Western agriculture. One need have no fear that the West has finally collapsed or that Canada will not again regain its normal stride. Under these circumstances one must feel friendly towards Canadian Pacific as a long term investment even though the near term outlook is clouded.

Sherritt Gordon has not shaped up to the big mine that was expected of it but should be able to earn some small profits if copper prices recover materially.

Imperial Tobacco of Canada has proven one of the most stable stocks during the recent decline and it is showing steady growth with the development of Canada and the enlargement of markets for tobacco products.

We recently reviewed thoroughly the position of Montreal Power and Shawinigan Power in our series of articles on "Stock Market Leaders of Tomorrow" and the very fact that we selected these stocks for inclusion in that list indicates that in our opinion they continue to hold front rank among Canadian investment securities.

Canada Bread

In your book, The Financial Post Survey of Corporate Securities 1931, there is an article on the Canada Bread Company which states, "In case of liquidation, after the redemption of Class B preferred shares, the assets are to be distributed as follows, etc." This reads as though the Class B preferred shares were to be redeemed, in case of liquidation, before the first preferred shareholders receive their money. We presume, however, that in case of liquidation, the first preferred shareholders would have claim on the assets of the company before anything was paid to the Class B preferred shareholders, or common stock shareholders, and would thank you to advise us regarding this.

Up to June 1925 Canada Bread had only two classes of stock, the 7 per cent preferred shares and the common shares. At that time holders of the common shares were given a bonus of Class B preferred stock and it was provided that after $7 per share had been paid on this Class B second preferred stock and also on common stock that further dividends would be then divided equally between the two.

In 1929 the common shares were split eight to one and it was necessary to reduce the amount that would be paid on the common before the Class B would participate in future dividends from $7per share to one-eighth of that or 87½ cents per share. It was found desirable also to provide for the probable redemption of the Class B preference stock and in order that this Class B stock should not be given a preference in the division of assets that would work against the interests of the first preference shares, various new clauses were added to the company's letters patent.

The company is now in a position to redeem its Class B preference shares at the preference price of $110 and dividends at any time that it finds such a move desirable. If such action is taken it will then be possible, if and when earnings justify, to increase dividends on the common stock above 87½ cents a share. But as the redemption of the Class B stock would necessarily reduce the net assets existing as protection for the first preferred stock, it is provided that if the company should be wound up or dissolved at any time after the Class B stocks have been redeemed the preferred shareholders are entitled to more than the par value of their shares. The extra amount would be determined in the following fashion: The preference shareholders would first receive $100 per share. The common stockholders would then receive $12.50 per share, after which any remaining assets would be divided one-third among the preferred stockholders and two-thirds among the common stockholders.

If the company should be wound up with all three classes of stock outstanding the first preference stockholders would be entitled to their usual preference on the assets, and the additional one-third of the residuary assets would not be applicable to their shares. This is a special clause designed only to protect them in the event of the earlier redemption of the Class B shares.

Western Steel Products

I am a widow and rely on my investments for living of myself and children. I own 20 shares of Western Steel Products preferred bought at 91 per share, it is now 74. Is there any chance of this issue not continuing dividends and would you advise me to sell at present price? Do you think it can go through this depression without dropping much lower. I would greatly appreciate an answer as am greatly worried.

About all that can be said of Corporate Steel Products, which is the holding company for Western Steel Products and some other companies, is that it is maintaining its position this year as well as can be expected in a period of business depression. Last year there was a surplus of $152,000 after payment of preferred dividends of Western Steel Products. This meant that these preferred dividends were earned three times by the parent company. Under these circumstances one can regard the preferred dividends as well protected. All preferred stocks have sold down in sympathy with the decline in security prices, and we do not feel you should be unduly worried by the decline in the preferred stock of Western Steel Products. The company should be able to recover substantial earning power with any improvement in business generally.

Stocks in Margin

I have carried down on margin from much higher price levels: C. P. R., B. A. Oil, Imperial Oil, Service Stations, International Nickel, Brazilian, Ford "A," and Montreal Power.

Would you advise to sell, especially C. P. R., in view of poor prospects, or do some switching? I owe something on the account now, and I have lost several thousand dollars.

The Financial Post attempts only to give investment advice and it does not attempt to forecast the immediate trend of the market generally, or of any particular security. Our advice then, may not be of particular immediate value in connection with a margin account, but general comments may be made on your stocks.

These are representative securities of the type that might well be paid for outright and put away for long-term holding. If you are in a position to make regular monthly payments on account of the balance still owing it might be well to do this and put the securities away, for all of them have considerable long-term promise. If you are unable to do this you might find it valuable to reduce the amount of your liability by selling certain of the securities and holding the others for the long pull.

C. P. R. is likely to face difficult conditions until there is a definite programme of restriction on railway expansion and until Western Canada is on its feet again.

British American Oil and Imperial Oil have suffered in reflection of generally depressed conditions and of over-production of oil in the United States, but there is evidence that this latter condition is tending to correct itself.

Service Stations has been affected by somewhat similar circumstances. Expansion of gasoline filling stations has been checked considerably but the company is broadening its lines into other fields.

International Nickel's future is dependent almost entirely upon copper prices which are now at very low levels but which should show relative recovery in time.

Brazilian is expanding its earnings as expressed in milreis, the currency of Brazil but the financial condition of Brazil has led to serious declines in foreign exchange quotations and this has reduced the earnings of Brazilian as expressed in dollars. We have considerable faith in this property over a long term but feel that improvement in financial conditions in Brazil is essential to full recovery of the market value of the stock.

Ford Motors of Canada is not likely to enjoy a good year but it will probably be among the leaders of the motor industry when car buying starts again. Montreal Power is still one of Canada's leading utilities and we see no reason to dispose of it at present prices.

Securities Not Selected

With much interests I have read your article on second-grade bonds in the last issue of The Financial Post. Owing to the very low yield of high class bonds your suggestion to carefully consider the next grade is a worthy proposition, and I have decided to give it some consideration. Naturally, I would like to secure bonds that are safe, I do not mind the holding part of it, in fact, I prefer to hold, as a long term investment. I have sufficient income for my requirements. What I aim to do, is to make investments suitable for the benefit of my estate.

I would like to have your list of a few of the most desirable bonds or debentures of the grade you refer to without troubling you to go too much into detail. High rates of interest have never attracted me, dependability is more to me. I have made it a practice to buy nothing but high grades, and have thought many times I should enjoy better yields without risk for a portion of my investments, but have never had courage to do so resting entirely on my judgment.

We make it a rule not to select securities for our readers. So many circumstances enter into the proper choice of investments that it is a job that must be undertaken by a responsible investment banker capable of studying the needs of the client. We would suggest you ask a good investment banker to make a selection of good second-grade bonds for you, and if you wish then submit the list to us and we shall give you our comments on each bond, and be very glad to do so.

Deal Through Broker

Will you be kind enough to give this bid to a Toronto Broker: Buy for my account (200) two hundred preferred Asbestos shares at fifty cents (.50c) per share. Good until Sept. 5th, 1931.

Even though we presume you intend to impose no responsibility upon The Financial Post in connection with the order for Asbestos shares we feel that we cannot properly be the intermediary between an investor and a broker. We would suggest that you select a broker advertising in The Financial Post and send your order direct to him.

Some Good Bonds

As I am now a subscriber to your paper would you give me your opinion regarding the following bonds? Do you regard them (or how many of them) as safe investments where one cannot afford to lose principal or interest? Canadian Canners 6 per cent at 102.50; Canada Cement, 5½ 1947 at 99; Harris Abattoir Co. 6 per cent 1947 at 102½; Cosmos Imperial Mills, 6½ 1944 at 103½; Wm. Davies Co., 6½, 1942 at 96½; Ontario Power Service, 5½, 1950 at 84; Canada Bread Co., 6 per cent, 1941 at 102.

Each of the bonds you mention with the exception of Ontario Power Service has a good record of earnings behind it sufficient to give the investor reasonable assurance that if these companies maintain their position in their respective fields the bonds will be quite safe.

The Ontario Public Service Corporation is, of course, a construction issue on a company that has yet no earning power. The contract that the company has signed to supply power to the Ontario Hydro-Electric System will not ensure sufficient revenue to cover these bonds, but on the other hand the guarantee of the Abitibi Power and Paper Company means a good deal in view of the financial strength of the latter corporation.

We do not think you have to worry about this list at the present time, although it is always wise to make at least a yearly check of such companies that may be showing signs of going backward.

Ont. Research Foundation Pursues Extensive Enquiries

Evidence of the extremely important work which the Ontario Research Foundation has been carrying on in the past year appears in the report of the director, Dr. H. B. Speakman, now published.

The report points out that while the value of technical and scientific work in connection with modern industry is being more and more appreciated by industrialists, industry on this continent has, with few exceptions been driven into a position of cutting down expenditures, so that the work of the Foundation in furthering research activities has been carried on under unusual difficulties. Nevertheless, Dr. Speakman shows that excellent progress has been made.

Important Work Done

Outlining the nature of the activities of the Research Foundation, the report states that during the past year the institution's laboratories have been available for eight months continuously, and while no spectacular or epoch-making discoveries have been made, much experimentation has taken place in connection with the problems presenting themselves in various lines of industry and agriculture. As an instance, Dr. Barbour, of the Biochemistry and Physiology Department, has been carrying out investigations in connection with Canada Packers, Ltd., on the low-temperature preservation of meats and the vitamin content of tomato juice preparations. Another member of this department has for several months been engaged in a careful study of the methods for the manufacture of patent leather, while active scientific work has also been carried out in connection with the development of the woollen industry. In other departments investigations have been going forward in regard to co-operative marketing, ceramics, protective coatings for chimneys, measurement of the radium content by means of a special type of electroscope built by the Foundation workshop, treatment of lignite, animal diseases and parasites, metals and alloys, steel treatments, and other diverse problems, to which a long list of published theses attest.

In addition to research in conjunction with industrial enterprises steps were taken to commence in each of the Foundation's departments a certain amount of scientific work having its origin within the institution itself. Departments whch have been active along their various lines are those of Textile Research, Metallurgy, Veterinary Science, Chemistry, Biochemistry and Physiology. Each has at its head a Director, one or more Research Fellows, and necessary assistants.

Operating Surplus Shows

A financial statement included in the report shows that the Foundation's endowment fund amounts to $2,059,190, this being invested in high-grade bonds. Income for 1930, including the income on investments, totalled $127,792 and an operating surplus of $10,761 was shown.

The advisory committee of the Ontario Research Foundation comprises a long list of prominent professors, business executives, chemists, economists, stock-breeders and industrialists, headed by Sir Joseph Flavelle, chairman.

These Business Facts at Your Finger-Tips

Foreign Trade
Corporation Taxes
Provincial Finance
Succession Duties
Industrial Census
Foreign Capital
Insurance
Banking
Markets
Buying Power
Newfoundland
Mining
Fisheries

The Business Year Book of 1931 is of particular interest to business men who want facts and not guesses when searching for new markets for their goods, and for accurate and up-to-date economic data about Canada and about Newfoundland. The 1931 Business Year Book is larger than any of its six predecessors due to the enlargement and revision of every chapter and the new features it contains. Over 220 pages. A few copies left. $2.00.

ORDER COUPON

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Attached is $2.00. Send me a copy of The Financial Post Business Year Book, 1931.

Name ....

Address ....

.... 775

DUNLOP GOLF BALLS FLY TRUE AND PUTT TRUE

Also DUNLOP World Famous Tennis and Badminton Supplies.

205

Only a Few Times in Each Generation

Low prices for many sound corporation securities are reflecting general conditions rather than conditions within the companies themselves.

A situation of that kind is accordingly presenting one of those opportunities to secure high, but well protected, incomes which occur only a few times in each generation.

A special list of well-known bonds and preferred stocks which in our judgment are undervalued by the market will be mailed on request.

Greenshields & Co
Investment Bankers
Members Montreal Stock Exchange
505 Place d'Armes, Montreal
OTTAWA TORONTO QUEBEC
132

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
61 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000.
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages, including building loans. Applications invited.
JOHN G. RICHTER, *President.* T. H. MAIN, *Manager.*

"On the job"

Good service is a broad term — it conveys the idea that an organization is functioning smoothly, efficiently and well.

Every member of our staff is "on the job". Services considered favors in the past are now only routine. There is nothing overlooked which may speed up, or improve banking facilities to clients.

We would be glad to have your business.

407

IMPERIAL BANK OF CANADA
HEAD OFFICE TORONTO
Capital and Reserve $15,000,000
Frank A. Rolph, President Sir James Woods, Vice-President
A. E. Phipps, General Manager
240 BRANCHES THROUGHOUT CANADA

Progress

The new trans-Canada telephone toll line will be in service upon completion of the western link between Vancouver and Winnipeg late this year—the eastern sections, Winnipeg-Montreal and Montreal-Halifax, being already in operation.

Associated Telephone & Telegraph Company,

representing an alliance of British, American and Canadian interests, is closely connected with this development through its Canadian subsidiary British Columbia Telephone Company, second largest telephone company in the Dominion, which is now constructing and will own and operate this new toll line from the Pacific Coast to the Alberta boundary.

The inherent stability of the telephone business is reflected in increased earnings for 1930 of Associated Telephone and Telegraph Company, interest charges on its outstanding debentures being covered over 8½ times before, and about 5 times after, depreciation—evidence of the soundness of this security.

We recommend the purchase of

Associated Telephone & Telegraph Company

5½% Gold Debentures due 1955
at 89 and accrued interest to yield 6.40%
(Plus transfer tax)

Further information upon request

W. C. PITFIELD & COMPANY
235 St. James Street, Montreal
TORONTO OTTAWA QUEBEC LONDON, ENG.
VANCOUVER SAINT JOHN HALIFAX
137

Canadian Pulp and Paper Industry

International Paper Reduces Bank Loans; Cuts Working Expenses

Second Quarter Revenue Shows Gain Over First Period

HALF YEAR PROFITS

Net Slightly Lower But Less Depreciation Makes Gain in Surplus for Dividends

From Our Own Correspondent

MONTREAL.—A reduction of $4,000,000 in bank loans during the second quarter of the current year with the expectation that further reductions will be effected during the last half of 1931 is an important feature of the remarks made by Archibald R. Graustein, president of International Paper and Power Co. in commenting on the position of that company at June 30, 1931.

It is also stated that volume of business is still low and prices for most grades of paper are weak. Continued progress, however, is being made in reducing operating costs with the result that net revenue in the second quarter showed an increase over final figures for the first quarter after adjustment for the retroactive cut in newsprint prices of $5 a ton.

Net Revenue Gains

Figures issued by International Paper and Power covering operations in the three months ended June 30, 1931 show a net revenue of $10,488,226 compared with $10,292,995 last year. The net revenue for the second quarter showed an increase of $492,995 over the final figures for the first quarter as reduced by the retroactive prices of newsprint.

Balance added to surplus in the second quarter also shows an increase over the corresponding period last year and the final figures for the first quarter of this year. It is interesting to note that in 1930 the second quarter showed a decrease from the first quarter figures.

Less Depreciation

The increase in surplus, however, is largely due to the fact that smaller sums have been provided for depreciation. In the three months ended June 30, 1931 the sum of $1,851,849 was written off on this account compared with $2,555,872 in the corresponding period of 1930 while deferment of dividend payments enabled the company to transfer the whole balance of $1,013,436 to surplus against a deficit of $1,622,458 last year.

Following are comparative figures covering earnings in the second quarters of 1931 and 1930:

Quarter Ended June 30

	1931 $	1930 $
Net rev., incl. other income	10,488,226	10,292,995
Less: Depreciation	1,851,849	2,555,872
Int. & disc. on fund. debt, income tax. and min. int. in subs.	5,511,092	4,986,057
Bal. for divds.	3,125,285	2,751,066
Divs. on stks. of subs.	2,111,849	2,150,010
Bal. for I. P. & P. Co. divs.	1,013,436	601,056
Divs. on I. P. & P. Co. stock:		
Pref. stock	......	1,624,676
Class A com. stk.	......	598,838
Total dividends	......	2,223,514

Half Year Earnings

For the six months ended June 30, 1931 net revenue, including other income, showed a slight decrease compared with last year. The report shows revenue of $20,483,458 as compared with $20,747,491 though the final deficit after dividend payments shows a marked drop.

The company's policy in respect to depreciation is also indicated in the six months figures. During the first half of this year $3,728,946 was charged off against $4,993,227 in the first six months of 1930, a decrease of $1,264,281.

Interest Charges Higher

Though interest, taxes, and minority interest in subsidiaries showed a gain of $549,000 at $10,857,937, the balance available for dividends on subsidiaries' stocks was higher and the balance applicable to dividends on International Paper and Power shares totalled $1,606,997, compared with $1,271,111 in the previous year.

Payments on the preferred shares, now discontinued, amounted to $1,632,565 in the first half of 1931 leaving a deficit of $25,568. This compares with a deficit of $3,174,605 after payment of dividends made in the same period of last year.

Half Year Comparison

Following is a comparison of figures for the first half of 1931 and 1930:

Six Months Ended June 30

	1931 $	1930 $
Net rev., incl. other income	20,483,458	20,747,491
Less: Depreciation	3,728,946	4,993,227
Int. & disc. on fund. debt, income tax. and min. int. in subs.	10,857,937	10,309,820
Bal. for divds.	5,896,575	5,444,443
Divs. on stks. of subs.	4,289,578	4,173,332
Bal. for I. P. & P. Co. divs.	1,606,997	1,271,111
Divs. on I. P. & P. Co. stock:		
Pref. stock	1,632,565	3,248,369
Class A com. stk.	......	1,197,347
Total dividends	1,632,565	4,445,716

Westminster Paper Does Own Printing

From Our Own Correspondent

MONTREAL. — Westminster Paper Co. has installed a two-color high speed printing press in its plant to use in connection with the printing of fruit wrappers. The company, in addition to its domestic business in this line, has sought to expand export trade and in February of this year sent trial shipments of wrappers to South Africa. Regular exports are also made to Australia, New Zealand and China.

The company is reported to be operating at a capacity with net profits in June of $3,162 after payment of bond interest and all fixed charges. The net profit for the six months ended June 30 was reported to be $36,438.

Minas Basin Pulp Makes Second Shipment of Year

From Our Own Correspondent

MONTREAL.—The second shipment of baled pulp from the plant of Minas Basin Pulp and Paper Co. at Hantsport, N.S., made this year comprised 2,400 tons. The consignment was recently shipped to the Scott Paper Co. at Chester, Penn.

Minas Basin Pulp operates a small but modern high-grade groundwood pulp mill with a capacity of around 30 tons of air-dried pulp a day. Initial shipments were made from the new mill in the summer of 1929.

FURTHER DECLINE IN PAPER PROFITS SEEN THIS YEAR

Outlook for Tissue Considered Relatively Good

EXPANSION HALTED

No Incentive for Newsprint Makers to Expand at Present Prices

From Our Own Correspondent

MONTREAL. — Substantial deflation in newsprint earnings for 1931, an unsatisfactory outlook for other important divisions of the paper industry such as boxboard, books, wrapping, bag and writing paper, with, however, the expectation of a relatively good showing by the tissue paper division, are features of the conclusion at which Standard Trade and Securities has arrived in a survey of the paper situation. Some advance in sales is anticipated in the fall, but this is expected to be of minor proportions and will be only meagrely reflected in per share income.

At the present time it is believed the industry as a whole is fluctuating around the lowest point of depression. Any expansion in demand for these products during the remaining months of the year, however, will be of insufficient proportion to result in a material recovery of net income. Newspaper advertising, on which the trade is largely dependent, is likely to record improvement this fall, but such a development, the survey continues, is likely to be of strictly limited proportion, leaving net earnings of newsprint producers somewhat below aggregate preferred dividend requirements for the full year.

View Over Production

In dealing with the problem of over-capacity which faces the industry, attention is drawn to the long-term arrangement of International Paper which serves as a barrier against the possibility of further expansion of trade facilities. To the close of next year, the company's price is to be $57 a ton delivered in New York, while for the six-year period the schedules call for an average price of $55 a ton in New York. The maximum price that can be charged during this interval is $62 a ton.

On this price basis, no incentive exists for expansion, but with the anticipated long term growth of demand, some temptations to expand may be engendered.

Southern Wood Menace

Because of the recent experimental production by the Forest Products Laboratory of the U. S. Department of Agriculture, of white paper from the pulp of young slash pine of the south, Standard Statistics has conducted an investigation of the possibility of this wood supplanting, to any appreciable degree, the standard spruce of Canada and the United States, and, in so doing, revolutionizing the production end of the industry. The conclusions arrived at follow in part:

"Despite the progress to date in the development of slash pine, it is understood that present methods of paper production would have to undergo considerable refinement before becoming commercially usable on a large scale, with slash pine as a base. Meanwhile, efforts to develop southern woods continue, and the likelihood is, in our judgment that such experimentation may well result in the south becoming an important ultimate centre of paper production. This section of the country can produce new crops of wood more rapidly than the northern regions and has a tremendous area available for broadening of forests.

The Forest Service Department of the Government, in co-operation with trade organizations, has computed the costs of wood for paper making at $7.56 a cord in the south, $8.96 for the lake states and $12.43 and higher for other regions up to $18.04 in New York.

However, even rather complete proof of the practicability of slash pine use for pulpwood would entail but a slow shift of production properties, because of the probable reluctance on the part of producers to uproot investments in Canadian plants and their potentially expensive transfer to the south."

HINDE AND DAUCH BUSINESS VOLUME BEING MAINTAINED

But Keen Competition and Price-Cutting Allows Small Profit

Business volume handled by the plants of the Hinde and Dauch Paper Co., has been well maintained this year to date, but owing to the very severe competition with the consequent price-cutting which has existed during the past year, operations are on a basis productive only of small profits. However, officials believe that the company is receiving its full share of business available.

One feature of the present situation which is helping to maintain the present level of output is the increased business which the brewing companies have been enjoying the past summer, and this in turn is reflected on companies such as Hinde and Dauch who supply the breweries with their containers. However, it is further said that competition in this line is also very keen, and the paper box division of the company is not enjoying the same business as the mills, although better than otherwise would be the case.

The company's plants at Toronto, Trenton and Montreal are being maintained in a good state of repair and the organization is ready to take advantage of any opportunities which may exist with any betterment in general business conditions. Otherwise no important changes or additions have been made recently.

Nova Scotia Has Valuable Catch

Last year the fisheries of Nova Scotia, according to a recent Canadian Government report, had a production valued at $10,411,200. The lobster and cod fisheries are of chief importance, but there is also a large production of herring, mackerel and halibut.

World Tariff Policies Brought Under Scrutiny

Attempts Are General to Effect Rapprochement Between Groups of Countries Throughout World

Briefed From The Index, Published by New York Trust Company

As a result of the world-wide business depression the general subject of tariffs and their economic effects is attracting renewed and urgent attention. Many leaders of finance and industry, both abroad and in the United States, have become convinced that existing tariff walls are contributing substantially to prevent restoration of international trade and prosperity. Considered opinion to this effect in the United States has grown markedly since the Hawley-Smoot Tariff Act of 1930 raised the general schedule of duties to unprecedented heights. Since the Act has been in operation, many leaders of American business have expressed the gravest doubts as to its practical wisdom so far as the best interests of American business itself are concerned. Experience of the practical working of the Act has thus emphasized objection to it noted before its enactment.

Falling Foreign Trade

Among the factors leading to renewal of the discussion of the tariff position is the marked decline in the United States' foreign trade. After giving due consideration to lower commodity prices and reduced purchasing power in other countries, many authorities feel that much of the diminution in this foreign trade must be attributed to the effects of the Hawley-Smoot Tariff Act.

Foreign Tariff Walls

Approximately 50 countries have raised some, or all, of their import duties since June, 1930. In Europe, Central and South America, the Orient, and within the British Empire, there has been a general epidemic of tariff raising as well as of stricter enforcement of customs regulations during recent months. Canada also has provisionally increased its tariff duties on some two hundred different items, many of them being among the principal imports to that country from the United States. In numerous instances, it is true, the increased tariffs are not generally regarded as a direct reprisal against the nited States, but rather the culmination of economic forces thought to be beyond the control of individual nations. Nevertheless, the example of the United States has given strength to those forces favoring higher tariffs, even if no direct retaliating motives are expressed.

War Debts Question

Further occasion for consideration of the tariff question, as brought out by many economists, is found in the problem of the war debts and the commercial and governmental loans owed to the United States. In the last analysis, it is stated, these debts must be paid either in gold, property, goods, or services. However, gold can be obtained chiefly in exchange for goods or services, and, consequently it is reasoned, if the United States is to receive payment of loans now outstanding, it must either lower its tariff and be ready to accept the commodities and manufactures which other nations are able to send it in payment of their obligations, or it must furnish other countries the money in exchange for securities with which to pay their debts through the invisible items in the international balance of payments.

The nature and solution of this problem of the war debts was succinctly stated early this year by a well-known financial authority in the following terms: "The most serious of the adverse factors affecting business is the inability of foreign countries to obtain dollars in amounts sufficient both to make interest and amortization payments on their debts to the United States and to buy American exports in adequate volume. From the middle of 1924 to 1929, the United States delayed the adverse effect of her high tariffs upon her exports by heavy buying of foreign bonds. The effect of this was to increase, year by year, the interest and amortization charges the foreign countries have to meet, and to bring about a congestion in her foreign bond market. Her alternative today is, therefore, either a reduction of her tariff or readjustment of her greatly reduced volume of exports."

Contrary Opinion

It would appear difficult for the United States to accept such an economic programme. For many years the United States was a debtor nation faced with the necessity of maintaining a favorable balance of trade to meet its foreign obligations. Now, when the reverse is true, it is not easy for her to realize that her creditor position suggests that she accept an unfavorable trade balance, buying more goods than she sells, if the international financial equilibrium is to be maintained.

The long experience of the United States with high wages and high purchasing power has been attributed by many to the protective tariff and her exclusion of the products of the less highly paid labor of other countries. Those advocating the continuance of such a policy contend that a high tariff makes for greater purchasing power in the United States, which thereby becomes a better customer for foreign nations. It is further maintained that a high tariff does not shut off imports from a country which is able and willing to purchase foreign goods.

Something of this attitude is held by Andrew W. Mellon, secretary of the treasury, who recently said: "The trade of the world must settle into new channels and will increase in volume, notwithstanding tariffs and other barriers. We have all come to a realization of the fact that, if world trade is to be built up, there must be give and take among nations. But it must be remembered that the all-important factor is purchasing power; and purchasing power, in so far as America is concerned, is dependent to a great extent on the standard of living which obtains in this country. That standard of living must be maintained at all costs; and certainly the present is no time to undertake drastic and doubtful experiments which may even conceivably result in breaking down the standard of living to which we have become accustomed."

Opposed to this philosophy are the opinions of those who contend that trade is not war but a process of exchange and of world development providing ample growing markets for all producing countries, and that if foreign producers had succeeded in selling more of their goods in the United States, in 1930, foreign buyers would have been able to purchase more of the commodities and manufacture which, form a surplus on domestic markets.

This broad view of international trade has been well expressed by Owen D. Young, who, referring to surpluses of production in the United States, said: "How can we market these surpluses, both agricultural and industrial? The method is well-known. Those who need our goods are the potential buyers. One cultivates his potential buyers. He does not rebuff them. He seeks their friendship and their good will. If they need credit he extends it. If they have goods which he can take in exchange without curtailing the business of his own country, he makes it a point to take them.

"Is that the attitude of America today toward her potential customers? Are we creating good will or bad will in the countries where they live? Are we concerned about their living standards? Are we extending them credits through our financial machinery? Are we co-operating with them politically in order that they may improve their condition? Are we making friends, and so creating an attitude of mind, a spirit of relationship which will convert potential customers into actual ones? I venture the prediction that we must do so if we are to conserve our own economic structure, not as a mater of charity to others but of self-interest for ourselves."

At the present time, however, there seems to be little prospect of change in the general tariff schedules of the United States. Although many business men view with disfavor her present high protective system, it is doubtful whether a movement to reopen the tariff question in the next Congress would meet with popular support.

Tendencies in Other Countries

Coincident with the growing public opinion in the United States that the entire question of tariff protection should be re-examined in the light of new conditions, progress has been made, within recent months, with a number of important movements in other countries designed to facilitate the international exchange of goods.

Most comprehensive of all the proposals is that of M. Briand for a "United States of Europe," bound together by economic and political ties. Although this suggestion has been accepted "in principle" by the 27 governments of Europe, it is not likely to become an actuality in the near future because of the complexity of varying and often conflicting interests involved. The scheme; however, is significant as an indication of how economic necessity is tending to draw the various European nations together, notwithstanding age-old differences of language, culture, and tradition.

Another Agreement

Last summer, representatives of nine eastern European countries—Poland, Finland, Latvia, Estonia, Czechoslovakia, Hungary, Roumania, Jugoslavia, and Bulgaria—met in Warsaw and agreed to disregard bounties on agricultural products, to establish export quotas and so to regulate the intra-European trade in farm products as to minimize competition, underselling and dumping.

Another significant development in the European economic rapprochement occurred in December last year, when representatives of Holland, Belgium, Sweden, Norway, Denmark and Luxembourg signed a treaty providing for a tariff truce and agreed not to increase tariffs, or adopt new tariffs, without giving due notice to the other parties of the treaty.

While the proposed customs union between Germany and Austria has aroused considerable controversy in Europe, it is at least further evidence of a feeling that existing tariffs are a barrier to international trade. Under this treaty, these two nations would eliminate export and import duties on goods shipped from one to the other and abolish certain import, export and transit prohibitions.

The tariff agreements in Europe, and the recent discussion of the subject in the United States, show the extent to which the depression has encouraged a general re-examination of economic principles and practices with a view to testing anew their efficacy and wisdom in the light of changing conditions. Undoubtedly this re-examination will bring about a more informed understanding of the complex tariff problem. If, as a result, a narrowly nationalistic attitude toward this matter is replaced by wider appreciation of the international interdependence of business relationships, one lesson, at least, of enduring value will have been learned.

It is worth while recalling here, the International Bankers' Manifesto, issued in October, 1926, which declared, in part: "It is difficult to view without dismay the extent to which tariff barriers, special licenses and prohibitions since the war have been allowed to interfere with international trade and to prevent it from flowing to its natural channels. At no period in recent history has freedom from such restrictions been more needed to enable traders to adapt themselves to new and different conditions." These words have a particularly pertinent bearing upon conditions at the present time.

ANGLO-CANADIAN RESUMES STATUS PRIOR TO MERGER

Not Included in New Consolidated Paper Set-Up

From Our Own Correspondent

MONTREAL —Anglo-Canadian Paper Mills Ltd., formerly allied with Canada Power and Paper Corp., has reverted to its former position as a separate company following the formation of Consolidated Paper Corp. Officials of Anglo-Canadian retain positions held prior to the merger and the company has gone ahead, as from August 1, as a separate organization.

Common shares of Anglo-Canadian which were transferred to Canada Power and Paper Corp., have been returned to the Rothermere organization. It will be remembered that Canada Power acquired the 135,000 common shares of Anglo-Canadian in June, 1930, and issued two and a quarter shares of its own common stock in exchange for one share of Anglo-Canadian.

Was Not Included

In reorganization of Canada Power and Paper Corp., Anglo-Canadian Pulp and Paper Co., was not included in the new set-up, as the committee deemed it inadvisable for the new company to assume the obligations of Canada Power and Paper under the contracts for acquisition of the controlling interest in Anglo-Canadian.

This contract called for a guarantee by Canada Power of £3,000,000, 6½ per cent first mortgage bonds, together with the preferred dividend of Anglo-Canadian. The bonds were also guaranteed unconditionally by Daily Mirror, Pictorial Newspapers, Ltd., London, and Sunday Pictorial Newspapers (1920) Ltd., London.

Has 500 Ton Mill

Elimination of Anglo-Canadian Pulp and Paper Co., from the Consolidated Paper Corp., set-up will withdraw a daily tonnage of 500 tons of newsprint from the corporation's total output.

While no definite statement has been made, it is understood that Anglo-Canadian will retain its contract with Hearst's for 120,000 tons annually which will have the effect of lessening the Canada Power and Paper contract which would otherwise eventually have assumed proportions of 400,000 tons annually.

This 120,000 ton contract, together with a 25,000 ton contract for the Rothermere papers in England, gives Anglo-Canadian an assured tonnage of 145,000 tons of newsprint in a year which is only short by 5,000 tons of its total production of 150,000 tons in 300 working days a year.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que. — Sault Ste. Marie, Ont.
Beaupre, Que. — Iroquois Falls, Ont.
Sturgeon Falls, Ont. — Smooth Rock Falls, Ont
Espanola, Ont. — Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp — News Sulphite Pulp
High Grade Bleached Sulphite Pulp

The Canada Power & Paper Corporation
Total Daily Capacity of Plants:
2,464 Tons of Newsprint
130 Tons Pure Kraft Paper
130 Tons Pure Sulphate Pulp
also producing
CARDBOARD, INSUL BOARD, WRAPPER and SULPHITE and GROUNDWOOD PULPS
SAW MILLS AT PEMBROKE, ONT., producing White Pine, Red Pine and Spruce Lumber Pickets, Laths, etc. — Annual Capacity of 25,000,000 F. B. M.
Successor and Operating Company of
Belgo-Canadian Paper Company Limited, Shawinigan Falls, Que.
St. Maurice Paper Company Limited, Cap de la Madeleine, Que.
Laurentide Company Limited, Grand'Mere, Que.
Laurentide-Ottawa Company Limited, Pembroke, Ont.
Port Alfred Pulp and Paper Corporation, Port Alfred, Que.
Wayagamack Pulp and Paper Co. Ltd., Three Rivers, Que.
Anglo-Canadian Pulp and Paper Mills Limited, Quebec, P.Q.

Head Office:
MONTREAL, QUEBEC

GEORGE F. HARDY
Consulting Engineer
305-309 Broadway, New York City, N.Y.
Member:
Amer. Soc. C.E. — Amer. Soc. M.E. — Eng. Inst. Can.
Consultation, Reports, Valuations, Estimates
Paper and Pulp Mills, Hydro-Electric and Steam Power Plants, Plans and Specifications

ESTABLISHED 1908
ROBERT DODD & COMPANY
INCORPORATED
Investment Bankers
The Royal Bank Building, Montreal
HArbour 8141-2

National Steel Car Corporation Limited
Builders of Passenger Cars—Freight Cars—Street Cars—Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames, Woodwork and Parts—Steel Pressings—Forgings—Drop Forgings.
HAMILTON, ONTARIO, CANADA
621 St. James Street, MONTREAL, QUE.

CANADIAN VICKERS LTD.
Aircraft Ships Engines
Structural Steel
Boilers Mining Machinery
General Engineering
25,000 Ton Floating Dry Dock
Head Office and Works:
MONTREAL — CANADA

HAMILTON BRIDGE COMPANY LIMITED
Designers, Fabricators and Erectors of every class of
Structural Steel Work
Head Office and Works:
HAMILTON - CANADA

JAMES W. SEWALL
Consulting Forestry
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER
Ruttan Block, Port Arthur, Ontario

Sutcliffe Company Ltd.
CONSULTING ENGINEERS
and
ONTARIO LAND SURVEYORS
NEW LISKEARD, ONTARIO

COMPLETE INFORMATION
of over 1,300 Canadian Companies in
THE FINANCIAL POST SURVEY OF
CORPORATE SECURITIES

THE 1931 edition of The Financial Post Survey of Corporate Securities is of the greatest possible value to investors. It shows the earnings and balance sheets of over 1,300 Canadian companies for the difficult year of 1930, in comparison with previous years.

Complete information is given about each company in a compact, concise manner.

All new companies formed in the last year are covered.

A section on Fixed Trusts is included.

Each chapter is introduced by an analysis and review of the industry as a whole and the relative position of principal companies is discussed.

Send your $2.00 now so that your copy will be sent to you immediately.

ORDER COUPON

THE FINANCIAL POST,
153 University Ave., Toronto.

Attached is my $2.00. Send me a copy of The Financial Post Survey of Corporate Securities, 1931.

Name ....

Address ....

776

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIV | 10c a Copy; $5.00 a Year | PUBLICATION OFFICE: TORONTO, AUGUST 29, 1931 | Member of Audit Bureau of Circulations | No. 35

CAR TAXATION REVEALS NEED FOR REVISION

Tax Based on Horsepower is Now Out of Date

MANY ANOMALIES

U. S. Body Finds Taxes on Average Vehicle Over Its Life 128 p.c. of Value

Obvious inconsistencies in the existing methods of taxing automobiles are becoming more and more the subject of discussion throughout the motor world and have recently been brought to the attention of the Ontario government by the Canadian Automobile Manufacturers and Export Association.

One of the chief flaws in the present set-up as used by Ontario and several other provinces is the perpetuation of the out-of-date method of taxation according to horsepower rating of the engine. If the motor vehicle tax is primarily designed to pay for depreciation of highways there should be the best relation possible between the two. The method most favored by the motor car makers on this continent is a graded fee based upon the weight of the vehicle.

Present Fee Inconsistent

The main objection to the horsepower tax is that many cars in the same price-class and of approximately the same dimensions carry widely different fees, for the reason that some makers elect to use a big engine in conjunction with possibly higher gear ratios whereas others prefer the smaller engine. In either case, speed can have little to do with the matter since modern cars of practically any horsepower are mostly able to attain 60 miles per hour which is about the limit of safety as generally conceived, to say nothing of comfort and necessity.

Under the Ontario plan any motor vehicle rated at 25 horsepower or less pays a $5 fee; cars from 25 to 35 horsepower pay $10 and all those over 35 horsepower pay $20. While the impost is undoubtedly a simple one to administrate, the graduation is not fine enough in any case. There are numerous cars on the market that have a motor rating between 25 and 28 horsepower, and for these the tax is immediately doubled. For instance, the Essex, Plymouth, Whippet Oldsmobile and Ford carry a $5 license fee, while the Chevrolet and Pontiac are charged $10. Conversely, cars in the higher price ranges such as the Auburn, Willys-Knight, Studebaker, Graham-Paige only have to pay $5, while the Chevrolet is classed among Peerless, Marmon, Cord and McLaughlin and a host of heavier and far more expensive models.

Provinces Differ

Outside Ontario, motor vehicle taxation in Canadian provinces is divided as between a charge based on the wheel-base of the car and one based on weight, either or both of which are said to be more satisfactory than the old horsepower rating, and, of the two, a tax based on weight is favored by manufacturers and by leaders in the industry both here and in the United States.

On a more general matter of motor taxation, the National Taxation Committee of the American Automobile Association recently made the rather startling statement that taxes on the average motor vehicle throughout its life amounted to 128.3 per cent of the average value of the vehicle. The figuring which led the committee to his conclusion was revealed in its report, as follows:

Average Value Low

"The average motor vehicle on the street according to comprehensive charts developed by our committee, has an average value through life of 25.48 per cent. of its purchase price. The purchase price of the average vehicle in 1930 was $808. If the average value of vehicles through life is applied to this purchase price, it will readily be seen that the value of the average vehicle on the street in 1930 was $205.88.

"Now the tax levy on the average vehicle in 1930 was $37.72. The vehicle has an average life of seven years. On the basis of the tax rate for last year, the average vehicle through its average life of seven years will pay taxes in the amount of $264.04, or 128.3 per cent. of its average value, namely $205.88."

Wheat Export to U. K. '31 Shows Vast Drop in Value

Exports of wheat from Canada to the United Kingdom, while considerably lower during July as compared with the same month of 1930, showed an increase in volume of approximately 30 per cent for the twelve months ended July 31 in comparison with the corresponding period ended July 31, 1930. A vast reduction in the value of these shipments is nevertheless recorded, the 135,117,943 bushels exported during the year just closed having been worth only $94,000,000 as against $128,577,358 for the 105,007,552 bushels shipped in the previous year.

Wheat exported to all countries during July amounted to 12,004,817 bushels with a value of $7,276,002. Compared with the same month last year the volume shows a falling off of nearly 40 per cent, while the value was 63 per cent lower. Shipments for the year ended July 31, while 46 per cent heavier in volume had a value lower by 14½ per cent than those for the preceding twelve-months period, total value being about $160,000,000 as against $183,300,000.

Walnut Culture Promising

Walnut culture in British Columbia is becoming quite successful and trees this year are producing a heavy crop. Success has been quite marked in the Okanagan, the lower mainland and in Vancouver Island where the growers have been experimenting for a few years.

Express Rates Slashed To Meet Truck Inroads

Canadian Companies Announce Drastic Measures to Woo Business Back from Highways

By KENNETH R. WILSON

(Third Article in a Series Discussing Truck and Railway Competition in Canada)

If proof were needed of the inroads made by the truck into the more established media of transportation in Canada, it would be found in ample measure in the drastic action taken last week by Canadian express companies.

Commencing Tuesday, August 18 and subsequently almost every day since that time, new rate schedules have been filed with the board of railway commissioners at Ottawa and have gone immediately into effect. These schedules contain the most drastic revisions in express rates in the history of the business and affect for the most part larger towns and cities in areas where competition with motor trucks has played havoc with express business.

"The new rates," said T. E. McDonnell, president and manager of the Canadian Pacific Express Co. to The Financial Post, "represent an honest effort on the part of the express companies to meet a serious competitive situation (trucking) which should never have been permitted to exist."

Rates Cut Wide Open

Officials are reticent about giving out details of the rate cut because of the wide ramifications of the thousands of individual and special items involved in such a schedule. Some indication of the importance of the change is indicated however, by the fact that the rate on one important route which was formerly $1.60 per 100 lbs. has been cut to no less than 60 cents. Incidentally this new figure (which includes of course pick-up and delivery, and carriage on fast passenger trains) is said to be within a few cents of the ordinary freight rate between these two points, which of course does not include pick-up or delivery, and is also very close to the quoted truck rate on such business. It must be noted that the new reduced rates apply only to articles weighing over 100 pounds as it is on this heavier type of merchandise that express companies have been losing most heavily. The smaller and less profitable business has been for the most part ignored by trucks (it is said) and has remained with express companies.

There are five express companies operating in Canada. Canadian Pacific Express Company is a subsidiary company of the Canadian Pacific Railway and handles the express business of the parent company. The express business of the Canadian National system is handled by a department of the railway, but the accounts are kept separate and the data are included in this report. The same applies to the express business of the Northern Alberta Railways. The British American Express Company operates over the Algoma Central and Hudson Bay and the Algoma Eastern railways. The Railway Express Agency, succeeding the American Railway Express Company, operates mainly over the Canadian sections of the United States railways.

The fact that these companies operate entirely separate to their parent concerns is of interest.

It has been found by experience that the very nature of the express business is such that it is not readily absorbed in railroad operations and that a more efficient service can be rendered at a smaller cost when operated by a separate express staff. Thus it is important to note that as between the express business of the two big railways in Canada, there is direct competition in service under similar rates.

Rates Formerly Double

Up to the present, rates charged by express companies have been on the average a fraction more than twice the freight rate so that this competition has not been general. The result of these high schedules (which even then failed to return a fair income) has been that with the growth of trucking and the development of individual fleets by large corporations, express business was on the down-grade and has not been a profitable business since 1916.

Now, however, comes this drastic step indicating an entire change of policy on the part of these old-established companies and although it is as yet too soon to know or even predict the outcome, it seems probable that these concerns capitalized at some $8,500,000 and which had gross earnings of $24,000,000 in 1930, are about to stage a transportation come-back which may have far-reaching effects on the highway trucking business itself and on the attitude of railways to this question of trucking.

Some idea of what has been happening to these concerns from a financial point of view is indicated by the subjoined table showing how gross revenue has steadily declined since 1921 and what a slim margin of profit (with an actual operating loss in three of the 12 years) has been their lot.

Financial Statistics, Canadian Express Companies

Yr. end. June 30	Gross Earnings	Net Operating Revenue
1919	$24,933,219	$1,231,048 Dr.
1920	30,512,504	1,617,836 Dr.
1921	32,504,894	353,792
1922	28,697,332	519,025
1923	27,625,700	65,511
1924	26,196,017	84,802 Dr.
1925	25,876,342	226,897
1926	26,554,378	645,258
1927	26,532,182	708,453
1928	27,674,270	1,182,707
1929	27,758,385	679,782
1930	24,352,181	787,318 Dr.

Reason for Action

The reason for the rate cut given by T. E. McDonnell, president and general manager, Canadian Pacific Express Co. sheds interesting light on the attitude of this company toward truck competition. This is not necessarily the attitude of the Canadian Pacific Railway Co. for these two companies, although closely related financially run an independent course in matters of this type. Nevertheless Mr. McDonnell's statement as given to The Financial Post and in so far as it refers to trucking, it would seem to reflect very closely the position of established railway interests to the truck, and is therefore printed in full as follows:

"Shippers generally prefer express service to truck service because express means speed, pickup and delivery, reliability, assurance that no other shipper will receive the advantage of a secret rate and because express shippers are not at the disadvantage of locating some individual trucker who is often difficult to find because he has no established place of business.

Prefer Express

"Many shippers have assured the express companies that they would much prefer to use express service but their customers, who pay the charges, demand shipment by truck because the truck rate is lower than express and that if the express companies would name competitive rates express service would be more largely used.

"Truck rates have been lower than express rates because part of the cost of performing truck service is absorbed in general taxes and need not be included in the price of truck service and because truckers are permitted to discriminate between shippers by charging secret rates to favored shippers.

Hard to Get Rates

"It is difficult to secure reliable information as to what secret rates are used but to the extent that is possible and to the extent it can be done without loss the express companies have decided to meet the demand of shippers for competitive rates.

"The competitive rates as they are issued will of course be filed with the Railway Commission and will be open to and known to all interested shippers. From the very nature of the problem it is obvious that no complete statement of what the new rates are to be can be made.

"This represents an honest effort on the part of the express companies to meet a serious competitive situation which never should have been permitted to exist."

WALKERS PROFITS EXPECTED TO RUN ABOUT 60C SHARE

Troubles in Export Business Hold Earnings Down

Fiscal year of Hiram Walker-Gooderham & Worts will draw to a close on August 31 finding the company in the midst of acute trouble in its export business. W. J. Hume, vice-president and general manager, and H. C. Hatch, chairman of the board are now in England and it is understood that they are attempting to iron out some of the tangles that have developed in the plan worked out a year ago for the pooling of all export sales of liquor from Canada.

When Dominion legislation put an end to the running of liquor across the Detroit, Niagara and St. Lawrence rivers, those handling export sales for Canadian distilleries found it necessary to ship to St. Pierre et Miquelon and other Atlantic ports in order to sell to American importers. This roundabout route was not particularly profitable and in order to organize for bigger sales and lower expenses the companies undertook to sell through a corporation known as Dominion Factors. The companies that dealt through Dominion Factors included Walker's, Distillers - Seagram's, Brewers and Distillers of Vancouver and Canadian Industrial Alcohol. When Dominion Factors began to operate it found that certain groups had beat the gun by putting large stocks on the ocean and as a result sales of the companies have proved disappointing. The surplus stocks had to be liquidated

Recently Dominion Factors has been involved in a court action and continuance of the pool is very much in doubt.

Annual statement is expected to show earnings of around 60 cents a share. Dividends are now being paid at the rate of 50 cents a share but as the earlier part of the year saw the dollar rate still in force the dividends to be shown by the report as paid will amount to 75 cents a share.

SUGAR REFINERS SHIPMENTS GAIN; STOCKS DECLINE

Position Further Improved by Increase in Prices

From Our Own Correspondent

MONTREAL.—Canadian sugar refiners continue to record progress during the current year. Figures covering operations from the beginning of the year to July 18 show an increase in production and shipments while stocks on hand at that date were lower as compared with the same time in 1930.

Production in the four weeks period ended July 18 was up about 13,000,000 pounds at 85,295,029, while total manufactures from the beginning of the year were 396,847,003 as against 384,916,491 in the same periods in 1930.

Shipments Show Gain

Indicating that manufacturers are obtaining a wider share of the market than heretofore, shipments also showed increases in the four weeks period while total shipments to July 18 were higher by 26,500,000 pounds at 452,689,713 pounds as compared with corresponding figures of last year.

Stocks of refined sugar on hand have shown a steady decline from the beginning of the year and further decreases were recorded in the last four weeks period. Supplies at refineries at July 18 totalled 74,488,188 pounds while this figure stood at 136,259,989 at the beginning of the year and at 79,357,764 at July 18, 1930.

Import More Raw Sugar

Raw sugar receipts have shown a corresponding increase in line with higher production. In the four weeks ended July 18 receipts were 77,161,728 pounds, a gain of about 8,500,000 over the same period a year ago; stocks of raw sugar on hand at July 18 totalled 112,768,362 as compared with 95,340,045 at the same date in 1930. At the beginning of the current year stocks on hand were 108,269,371 pounds. Figures covering imports and exports of refined sugar are not yet available.

Recent increases of 10 cents per 100 pounds in refined sugar prices, together with increased production and shipments, augurs well for the companies manufacturing sugar in Canada. Investment interest in the industry centres largely in Atlantic Sugar Refineries and Acadia Sugar Refining Co., two companies which recorded appreciable progress in 1930.

World Wholesale Prices Show Varying Declines

Drop Since 1929 Varies From 18 to 33 Per Cent in 14 Countries—Five Nations Below Pre-war Level

A drop in wholesale price levels of 14 world countries of from 18 to 33 per cent since 1929, is seen in a review of the world price situation by Commerce Reports, official weekly publication of the Bureau of Foreign and Domestic Commerce, Washington.

Latvia shows the largest percentage decline, while Norway has suffered least among the nations for which data is given. In Italy, Latvia, Chile, Egypt and Belgium, prices are now found to be lower than before the war. It must be remembered, of course, that owing to differences in methods used in constructing price indices and the type of and number of commodities included, price changes between different countries are only roughly comparable.

Pre-War Comparison

Here are some comparisons between present and pre-war levels: in Chile and Egypt prices in June, 1931, were from 2 to 3 per cent lower than in 1913; in Belgium 7.4 per cent lower; and Italy and Latvia 11.2 per cent and 15 per cent lower, respectively. Prices were higher by from 3 to 5 per cent in the United Kingdom and France, and from 10 to 13 per cent higher in Austria, Denmark, Germany, Czechoslovakia, and Canada; in Norway they were from 27 per cent higher in June, 1931, than in 1913.

From May to June price declines occurred in ten of the 14 countries shown in the accompanying table, the largest decline—2.7 per cent—occurring in Denmark and Poland. Prices advanced 2.8 per cent in Austria and Czechoslovakia, while in Belgium and Egypt they were practically the same in June as in May, 1931.

Owing to a decline of only 4.7 per cent in prices of vegetable products, prices of foods in France from the 1929 high to June, 1931, decreased less (7.9 per cent) than in other foreign countries. On the other hand, prices of foods dropped more in Belgium and Chile than in other foreign countries—nearly 40 per cent.

Prices of foods fell, approximately, about one-seventh in Czechoslovakia, one-fifth in Germany and Austria, one-fourth in the United Kingdom, and one-third in Italy, Denmark, Latvia, Poland, and Norway from the 1929 high to June, 1931. As compared with 1913, wholesale prices of foods in June, 1931, were from 7 to 22 per cent lower in Italy, Chile, Latvia, Denmark, and Belgium, and from 3 to 20 per cent higher in Austria, Czechoslovakia, the United Kingdom, France, and Norway. From May to June, 1931, prices of foods advanced from 1 to 6 per cent in France, Belgium, Czechoslovakia, and Austria.

Non-Food Products Suffer

There were wide differences also in price movements of non-food products from the 1929 peak to June, 1931. Prices of manufactured products in Canada declined 21.5 per cent those of non-foods in the United Kingdom, France and Italy those of industrial goods, including both raw industrial materials and finished articles, in Chile, Austria, Germany, Poland, Italy, and France, in the order named, dropped from 10 to 32 per cent. In the United Kingdom, France and Italy prices of industrial products in June, 1931, were lower than before the war, while in Czechoslovakia, Canada, Chile, and Germany they were from 14 to 37 per cent higher. From May to June, 1931, there were some further declines in prices of most types of industrial goods.

Wholesale Prices in Foreign Countries
(Percentage change)

Country and group	1929, high month	June, 1931, compared with— 1929 high	1913 average	May, 1931
Canada, combined index	August	—26.6	+12.8	—1.1
Raw materials	do.	—39.5	—3.0	—2.4
Manufactures	do.	—21.5	+14.5	—0.7
United Kingdom, combined index	March	—26.4	+3.4	—1.1
Foods	do.	24.6	+13.3	0
Non-foods	do.	—27.2	—2.0	—1.7
France, combined index	February	—21.5	+5.2	—0.4
Foods and feeds	do.	—7.9	+15.9	+0.9
Industrial products	January	—32.3	—4.0	—1.5
Belgium, combined index	March	—26.2	—7.4	+0.3
Foods	February	—38.8	—21.8	+2.5
Germany, combined index	March	—19.8	+12.0	—1.1
Agricultural products	February	—20.1	+7.0	—2.0
Industrial raw materials and semi-finished products	March	—23.3	+3.0	—0.4
Finished industrial goods	January	—13.7	+37.0	—0.1
Italy, combined index	February	—29.6	—11.2	—1.9
Foods	do.	—31.5	—7.3	—2.2
Raw materials	March	—37.3	—23.1	—1.3
Semi-raw materials	January	—27.9	—16.3	—1.5
Finished products	do.	—12.4	+7.9	—1.0
Austria, combined index	May	—18.6	+10.0	+2.8
Foodstuffs	do.	—20.2	+3.0	+6.2
Industrial materials	March	—16.8	+24.0	—1.6
Czechoslovakia, combined index	do.	—20.5	+12.0	+2.8
Foods	do.	—16.0	+11.0	+5.7
Raw materials	April	—25.0	+14.0	+0.9
Denmark, combined index	February	—30.8	+10.0	—2.7
Vegetable foodstuffs	do.	—33.6	—19.0	0
Animal foodstuffs	November	—43.4	—10.0	—7.2
Textiles and clothing	January	—21.3	+74.0	0
Latvia, combined index	February	—33.2	—15.0	—1.0
Foodstuffs	do.	—31.4	—17.0	—1.7
Poland, combined index	March	—26.3	*	—2.7
Agricultural products	February	—30.7	*	—4.5
Industrial products	March	—22.6	*	0
Chile, combined index	do.	—20.2	—2.0	—1.0
All agricultural products	August	—39.0	—11.0	0
All industrial products	March	—10.2	+21.0	—1.6
Egypt, combined index	January	—22.4	—3.0	0
Cotton, raw	March	—64.8	—37.0	—7.4
Norway, combined index	do.	—18.1	+27.0	—0.8
Vegetable foodstuffs	do.	—31.8	+7.0	0
Animal foodstuffs	December	—16.6	+26.0	—2.3

*Figure not available.

HIGH-CLASS SHIPS THOUGHT TO GAIN BY HUDSON ROUTE

Montreal Comment Thinks Good Ships Only Will Use Port

Only high class ships will be able to take advantage of the Hudson Bay route in the opinion of the marine editor of the Montreal Gazette. This is due particularly to the need for high class equipment to safely navigate this channel. Reference is also made to the confidence manifest (in Canada at least) to the aids supplied by the Dominion government such as direction finding stations, and to the fact that a single loss will undoubtedly have a very serious affect on rates.

In this connection the report of the Liverpool Underwriters Association for the first six months of 1930-1931 is quoted which shows a decline in losses as compared with a year ago. This is said to be due in part to the decline in shipping activity generally and in part to the taking of added care and precautions by those operating.

Confidence in Evidence

"Despite the additional premium required of owners sending ships through Hudson Strait to Churchill, there is evident a spirit of confidence in the aids to navigation provided by the Dominion Government, such as direction finding stations. In view of the relative short distance of points in Hudson Bay from the magnetic North Pole at Boothia Peninsula, the use of an ordinary magnetic compass is limited, variations being so large and changeable over short distances. The gyro compass, which is a piece of equipment considered too expensive for many tramp steamers, is serviceable, and the directional wireless finding apparatus with which the better class of steamer is fitted has not been installed on many small vessels.

"It is probable, therefore, that navigation on this northern route will be limited to high-class steamers, on which the hull insurance is necessarily high. A single casualty will have a material effect on future rates, as it is probable that even a minor stranding will develop into a total loss, the season of navigation being so short. Particular care, therefore will probably be exercised by steamship captains, particularly if fog abounds and ice is reported in their vicinity.

"During the first six months of 1931, and including vessels of 500 tons and upward, nine British motor and steam vessels of 16,138 tons gross were posted in the loss book as lost, which compares with 11 ships of 25,672 tons gross in the first half of last year. Fifty-three foreign motor and steam vessels were posted as lost in the first six months of 1931, as compared with 56 of 135,323 tons in the first half of 1930. This indicates a reduction in both the numbers and tonnages of the British and foreign vessels reported lost."

Disher Steel Construction Receives $15,000 Contract

The Disher Steel Construction Co. has received a $15,000 contract in connection with the proposed $200,000 East York School. Approximately 200 tons of steel will be required. Recently business of the company has been at a low ebb, and with the exception of a small contract for aviation sheds at the Royal Canadian Air Force field at Trenton, Ont., no other important contracts have been received. However, officials of the company are more optimistic now as more enquiries for structural work are being received, and say that general outlook appears more promising.

Germany Needs Policy Of Financial Reform

Drastic Changes at Home and Permanent Debt Policy Alone Can Avert Further Crisis

Seldom has the world economic outlook passed through a series of such rapid and sweeping changes as it has during the few weeks since President Hoover made his proposal for a one-year postponement of intergovernmental debt payments, including reparations writes Francis H. Sisson, vice-president of the Guaranty Trust Company, New York, in the American Bankers Association Journal.

The immediate purpose of the proposed debt suspension was made only too clear by the critical events that followed in Germany.

Moratorium Alone Not Adequate

By the time the French and American conferees had announced their accord on the general principle of the moratorium, the situation in Germany had become quieter. But, in the meantime, a more careful examination of the underlying conditions, combined with the critical developments in Germany, had brought the world to a realization that the plan, while it was an indispensable part of any adequate programme of relief, was not alone sufficient to remedy the situation.

Old Repudiation a Cause

The conditions in Germany that led up to the present crisis are traceable to a combination of factors, some of which were inherent in the situation and some of which might have been avoided. The course of affairs in recent years can be summed up in the statement that the position in which Germany found herself after the war was extremely difficult and required drastic measures, not all of which were taken. The war resulted, of course, in heavy economic losses to Germany, as well as to other countries. Productive activity was diverted from its normal channels and made subservient to war-time requirements. Man-power was heavily reduced. The loss of the war cost Germany her colonies and large areas of her Continental territory, besides shattering the morale of the people.

Added to these difficulties were the reparations obligations and the political uncertainties that always attend the establishment of a new régime. The result was that the republican Government was totally unable to balance its budget and resorted to currency inflation. The rapid depreciation of the old mark and its eventual disappearance are a familiar story. What is not generally realized, apparently, is the extent to which the inflation and repudiation of the old currency have contributed to the more recent difficulties of the Reich. Inflation radically altered the internal social structure of the country. It practically wiped out the formerly prosperous middle class. Only those whose property was in the form of real estate or other durable assets, and who were able to supply their current needs without disposing of that property, could avoid the general disaster. The terrific losses suffered by large sections of the population created a feeling of instability that hampered business enterprise and has undoubtedly played an important part in the present crisis.

Due to System

Recent budgetary difficulties have been due in part to the system by which public revenues in Germany are collected and distributed. Under the republican constitution, state and local governments derive a substantial part of their revenues from taxes collected by the Reich and apportioned among the local governments on a fixed basis, without regard to the budget requirements of any locality at any given time. The result has been that, while the Federal Government has been hard pressed to meet its obligations, the revenues of local governments have often exceeded their estimates and have encouraged extravagance. A considerable part of these excess revenues has been spent for social purposes, such as public works, employment insurance, and the like, which have not only been unproductive in the narrow economic sense, but have imposed permanent financial burdens on the local governments.

Borrowings Not Productive

Similar uses have been made of a large amount of the money that Germany has borrowed abroad during the last decade. Instead of employing the funds for productive purposes, the states and municipalities have used them in social ventures and enterprises, such as schools, parks, and public works, which, however desirable they may be from the social point of view, are not direct wealth producers. Far from bringing in revenues to the public treasuries to help repay the sums borrowed, they have resulted in new tax burdens. In this way, Germany, instead of following the policy of strict retrenchment and economy that was necessary to meet the costs of the war and the post-war readjustment, has borrowed money to create an artificially high standard of living.

It is useless to attempt to place the entire responsibility for this situation on the German political system or on the Federal and local governments. In most cases, these governments held their power by slender margins and could not have remained in office if they had endeavored to follow any other course. The multiplicity of political parties and the strength of groups representing extreme opinions have made it impossible for public officials to adopt the unpopular measures that were urgently called for.

The situation has been further aggravated by the tendency of public officials and financial leaders to exaggerate the difficulties of Germany's position. This course has been followed, apparently, in an effort to induce creditor countries to lighten the burden of reparations. In this direction, it seems to have met with some success. But it has also had the unfortunate effect of weakening confidence in the stability of Germany, both inside and outside of the country.

Series of Deficits

It was only in the fiscal year 1924-25, the first after the stabilization of the currency, that the Government of the Reich succeeded in balancing its budget. Since then, there has been an unbroken series of deficits. During the four years 1925-26 to 1928-29, inclusive, the total deficit amounted to 2,555,000,000 marks, which exhausted the surplus remaining from the year 1924-25 and the special working fund established by the Treasury outside of the budget in that year from profit on coinage, and left a net deficit of 859,000,000 marks over and above the long-term loans floated during the period. Although final figures for the last two fiscal years are not yet available, it is clear that the deficit has increased substantially. Preliminary figures for the fiscal year ended March 31, 1931, indicate a total deficit in the ordinary and extraordinary budgets of about 1,500,000,000 marks.

Feared Currency Inflation

The fear that this increasing deficiency in public revenues might force the government to resort again to currency inflation was one of the influences behind the recent "run" on the German banks. The situation was aggravated, however, by the peculiar financial condition that had arisen in the German financial markets as a result of the stock market inflation in the United States and the world-wide business depression that followed it. Germany was more dependent on an uninterrupted supply of American capital than any other European country; and when that supply was cut off in 1929 by the excessive demand for funds in the New York stock market, the result was a severe stringency in German credit. The net movement of foreign capital into Germany in 1930 is estimated at only 800,000,000 marks, as against 2,800,000,000 marks in 1929 and 3,400,000,000 marks in 1928.

A disproportionately large share of the foreign capital invested in Germany is in the form of short-term credits subject ordinarily to withdrawal on short notice. It is estimated that at the end of 1930 the total amount of foreign capital invested in Germany was 26,000,000,000 or 27,000,000,000 marks, of which perhaps 10,000,000,000 marks was in the form of short-term credits. It has been difficult to convert any substantial proportion of these credits into long-term loans because of the desire of foreign bankers to keep their assets in a liquid condition and the result was a differential in interest rates in favor of short-term, as opposed to long-term, credits.

It was the withdrawal of these short-term funds that precipitated the German crisis. The exact amount that has been withdrawn is, of course, a matter of guesswork. It was estimated, however, that at least 1,000,000,000 marks took flight after the elections of September, 1930, in which the Fascist party scored large gains in the Reichstag; and another 1,000,000 marks is believed to have been withdrawn this spring, as a result of the panicky conditions following the reports that the Austrian Kreditanstalt was in difficulties. After it had become apparent that President Hoover's proposed moratorium would not be immediately accepted, another period of heavy withdrawals set in, carrying the reserve of the Reichsbank below the legal minimum.

Equivalent to Loan

The initial result of the suspension of reparations payments will be equivalent to a loan of approximately $425,000,000 to Germany by the governments of the creditor nations. This is the amount of the reparations payments that would have had to be made under the terms of the Young plan. The delayed payments will be distributed over a term of ten years. The "unconditional" payments to France, amounting to about $100,000,000, will be paid to the Bank for International Settlements but will be immediately re-loaned to Germany. This arrangement was adopted at the suggestion of France, in order that the machinery set up by the Young plan might remain intact.

Permanent Sacrifices in Interest

It should be borne in mind that the payments in question are not cancelled, but merely postponed. The permanent sacrifices and savings of the various countries, therefore, are represented not by the above amounts, but by the interest on these amounts for the time their payment is delayed.

Besides initiating the moratorium plan, the United States Government devised the plan whereby the nations that took part in the London conference will use their influence with bankers to prevent the withdrawal of the short-term capital now invested in Germany. This suggestion is founded on the belief that the bases of these credits are sound, that there is no fundamental justification for their precipitate withdrawal, and that co-ordinated action to prevent such a development will relieve the immediate situation in Germany and ultimately remove the necessity for restrictive measures of any kind.

Before this proposal was made, bankers had already adopted measures designed to check the withdrawal of German credits. The effect of the measure adopted at London will be to "freeze" an estimated amount of $600,000,000 or more in short-term credits due to American banks, corporations, and individuals for an indefinite period. The burden will thus be passed from the various governments and central banks to private institutions and individuals who are under no compulsion to act except in their own separate interests as they may view them.

Merely Alleviation

Recent events have emphasized the fact that neither the moratorium nor the co-ordinated action of bankers to maintain existing credits can do more than alleviate the immediate crisis. Even the additional credit of $300,000,000 which the German Government insisted was necessary, but which now seems to have been given up, could have provided only temporary relief. Credit extension, even if it were possible on an unlimited scale, would only postpone the day of reckoning; and, unless fundamental correctives were applied in the meantime, the postponement would make the reckoning more disastrous when it came.

The most encouraging feature of the present situation, therefore, is the apparent realization on the part of Germany that, in the last analysis, it is not within the power of any other country or countries to extricate her from her difficulties. The relief measures just adopted will help to tide her over the immediate crisis. But no country can continue indefinitely to operate at a loss and cover the deficit with borrowed money. Furthermore, Germany cannot blame her foreign creditors alone for her credit stringency. The flight of capital has come from within, as well as from without.

The situation has reached a stage where the final outcome is very difficult to predict. The panic in Germany appears, for the time being at least, to have been delayed. But its financial and political repercussions cannot be expected to disappear immediately. What steps, if any, may be taken to modify the reparations obligations are also uncertain. It goes without saying that the Allies will be very reluctant to modify their reparations demands unless they obtain relief from their present indebtedness to the United States; and the American Government has not yet given any indication of a change in its position with respect to the war debts.

Conditions Not Corrected

As far as the purely economic aspects of the situation are concerned, it would seem reasonable to expect that conditions should improve gradually and that, while world confidence has received a severe shock, the effects of it will

(Continued on page 13)

PUBLICITY TRUTH NOW DEMANDED BY FEDERAL LAW

Criminal Code Amended Making Section More Water-tight

ENLARGES SCOPE

Administration by Courts of Law Made Easier by the Removal of Technicality

Amendment of that sub-section of the criminal code relating to the publication of false advertisements, recently carried by the federal House of Commons, makes it apparent that there has been seen a need to tighten-up the law dealing with this form of fraud.

The section formerly provided that:

"Every person who knowingly publishes or causes to be published any advertisement for either directly or indirectly promoting the sale or disposal of any real or personal, movable or immovable property or any interest therein containing any false statement or false representation which is of a character likely to or is intended to enhance the price or value of such property or any interest therein, or to promote the sale or disposal thereof shall be liable on summary conviction to a fine not exceeding $200 or to six months imprisonment or to both fine and imprisonment."

"Knowingly" Now Omitted

The section as now worded is broader in scope, and drops the word "knowingly," about which Hon. Hugh Guthrie, Minister of Justice, in the course of the debate on the amendment, made the following remarks:

"The difficulty with the word 'knowingly' in the clause as it now stands is that it imposes upon the prosecution the burden of proving that a certain thing was stated knowing it to be false or untrue, and very often the prosecution is not able to prove that knowledge on the part of the accused, and consequently the prosecution fails. If the word 'knowingly' is struck out the section becomes much broader, as the committee will see. It has been suggested that a saving clause to this effect should be added at the end of the section:

"'Provided further that in any prosecution under this subsection a case may be dismissed if it be established to the satisfaction of the court upon proper evidence that the accused acted in good faith'."

Freedom for Courts

The latter additional clause has been adopted, and this with the amendment, as finally approved by the House, will remove ambiguities formerly encumbering the intention of this sub-section and will give greater freedom to courts of law administering the act. The new sub-section reads as follows:

"Every person who publishes or causes to be published any advertisement either directly or indirectly promoting the sale or disposal of any real or personal movable or immovable property or any interest therein which contains any statement which is untrue, deceptive or misleading shall be liable on summary conviction to a fine not exceeding $200 or to six months imprisonment or to both fine and imprisonment."

Bongard & Company

Members:
Toronto Stock Exchange
Montreal Stock Exchange
Winnipeg Grain Exchange
Montreal Curb Market
New York Curb (Assoc.)
Chicago Board of Trade

80 King St. W., Toronto
*Elgin 5381

LONDON, ENG. NEW YORK MONTREAL GUELPH WINDSOR KITCHENER

Dominion Foundries & Steel Limited

STEEL PLATE STEEL FORGINGS STEEL CASTINGS

For Every Purpose

Hamilton Ontario

OSLER & HAMMOND

Stock Brokers and Financial Agents

Members: Toronto Stock Exchange, Montreal Stock Exchange, Montreal Curb Market, New York Curb Market (Associate)

21 Jordan Street TORONTO
215 St. James St. West MONTREAL

PRINTING-plus

YOU may be getting good printing — we mean good paper, good presswork, and all that — but mere printing, no matter how high the quality, is not sufficient to sell your product today. It's the *plus* element in printing that creates sales.

MacLean's can give you high class printing —

Plus a fundamentally sound advertising and merchandising appeal.

Plus a humanized, dramatized appeal that forces interest — that produces sales.

Plus the creative service of internationally known experts.

Plus a 100% service from idea to finished production, including analysis, plan, copy, design, art, engravings, printing and mailing.

It's the plus element in MacLean's printing that makes it different — that makes it sell.

Direct Advertising & Printing Division
The MacLean Publishing Company, Limited
143 University Avenue
TORONTO

Trust and Loan Companies Reveal Inherent Soundness In Periods of Depression

Canadian Institutions Are Attractive to Investors; Safe for Deposits

SAFETY, appreciation, marketability and yield are four essentials of investment in stocks. Shares in many of the trust and loan companies of Canada combine these factors.

It is noteworthy that in a period of declining stock values, such as the last, the average price of nine trust and loan stocks listed on the Toronto Stock Exchange was only 1.2 per cent below the level prevailing a year previously. In that same time, the average of eight bank stocks had declined 4.6 per cent, ten public utilities had declined 11 per cent and 20 important industrial stocks had declined an average of 21 per cent.

Learn of these fine stocks

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please enter my name for:
☐ .... copies of new Trust and Loan Booklet at 25c.

Name ....
Address ....

772

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

Week Ending August 24

Range 1931 High	Low	Divd. Rate in $	Yield in % Aug. 22	Stock	Sales	Close Aug. 17 (or last)	Week Ending Aug. 24 High	Low	Close
13¾	3½	.	...	Abitibi, c.	1030	4	4¼	3⅞	4
50	13⅝	.	...	Do. pref.	10	15	13¾	13⅝	13¾
105	80	7	8.7	Do. pref.	....	80½	..	..	..
8	5½	.	...	Agnew Surp. c.	10	7½	7	5½	5½
88	84	7	8.3	Do. pref.	....	84	..	..	..
6½	2½	.	...	Alta. Pac. Gr.	55	3¼	4	3	3
30	10½	.	...	Do. pref.	....	11	..	..	..
4	3	.	...	Amal. Electric	....	3	..	..	..
18	10	.	...	Do. pref.	....	11	..	..	..
3½	2½	25c	...	Anglo N. Hold.	....	3½	..	..	..
50	.25	.	...	Asbestos	....	.30	..	..	..
2	½	.	...	Do. pref.	110	½	¼	¼	¼
9	5	1	14.8	Assoc. Brew.	25	7	6¾	6¾	6¾
70	67	7	10	Do. pref.	....	70	..	..	..
10	4	.	...	Assoc. Can.	....	4	..	..	..
69	65	4+50	6.8	Assoc. Tele.	....	66	..	..	..
37½	12¾	.	...	Atlan. Sugar	....	21	..	..	..
105	79¾	.	...	Do. pref.	100	92	92	92	92
175½	158½	10	6.1	Bk. Can. Nat.	....	162½	..	..	..
303	236½	12+2	5.5	Bk. Montreal	38	257	256	249½	250
326	284	16	5.3	Bank N. Scotia	275	300	305	300	300
238	215	12+1	6	Bk. of Toronto	17	216½	215	215	215
24	8½	.	...	Barcelona Tr.	....	15	..	..	..
5¼	3½	.	...	Bathurst Pr.	60	3½	3½	3½	3½
5	2	.	...	Do. (B)	45	2	5	3	3
x26	26	.	...	Bawlf Grain	....	..	..	..	..
25	20	.	...	Do. pref.	....	20	..	..	..
12	6	.	...	Beath & Sons	....	6	..	..	..
20	12	2	14.2	Beatty Bros.	5	14	14	14	14
80	60	6	8.6	Do. pref.	20	68½	70	70	70
8½	3	.	...	Beauharnois	301	4	4¼	4	4
93	85	7	8.2	Belding Cort.	....	85	..	..	..
100	100	7	7	Do. pref.	....	100	..	..	..
55	10	.	...	Belgo C.P. pf.	....	10	..	..	..
151½	127	8	5.9	Bell Telephone	506	135	136	134	136
4½	3	.	...	Biltmore Hats	....	3	..	..	..
65	60	7	10.8	Do. pref.	....	65	..	..	..
x22	14	.	...	Bissell, T. E.	....	..	..	..	..
x97	88	.	...	Do. pref.	....	..	..	..	..
20	12	2	11.8	Blue Ribbon	....	17	..	..	..
39½	30	3.25	9.3	Do. pref.	25	35	35	35	35
22½	14	2	10.5	Brant. Cd. pf.	....	19	..	..	..
28½	12⅝	25c	...	Brazilian Tr.	5234	17¾	18⅛	17	18
x2	⅜	.	...	Brew. & Distil.	....	..	..	..	..
16½	8	80c	7.1	Brit. Amer. Oil	6400	11¾	12⅛	11	11¼
3½	½	.	...	B.C. Packers	....	1	..	..	..
22	5	.	...	Do. pref.	....	5⅛	..	..	..
42½	33	2	5.7	B.C. Power	425	36	36	35	35½
18	9½	.	...	Do. (B)	80	10	10¼	9¾	10
2	1	.	...	B.E. Steel	....	1⅛	..	..	..
21	18½	.	...	Do. 1st pref.	....	18½	..	..	..
3½	1⅞	.	...	Do. 2nd pref.	....	2¾	..	..	..
8	4½	.	...	Bruck S. Mills	25	6½	5	5	5
26	16¾	2	9.1	Building Prod.	124	21	22	20	20
44½	29½	3	8.6	Burt, F. N.	45	35	35	35	35
146	140	6	4.3	Calgary Pr.	50	140	140	140	140
7⅞	3⅛	.	...	Can. Bread	170	5	5½	5	5½
100	87	7	7.7	Do. pref. A.	5	88	91	91	91
80	55	7	10.9	Do. pref. B.	15	61	65	64	64
13½	8¾	1	8.2	Canada Bud	520	12	12⅛	11½	12⅛
18⅞	8½	.	...	Can. Cement	218	8⅞	9½	9	9½
96½	81½	6.50	7.6	Do. pref.	493	86	85¾	84¾	85
b45	29¾	3	8.5	Canada Dry	4100	37⅜	37⅜	35	35¼
12	10	1.50	15	Can. Forg. (A)	....	10	..	..	..
x16	5	.	...	Do. (B)	....	..	..	..	..
68	66	3	4.5	Canada Iron	....	66	..	..	..
76	60	6	10	Do. pref.	....	60	..	..	..
650	630	20	...	Canada Life	....	630	..	..	..
16½	10¾	1.50	10.7	Can. Malting	130	13⅜	14	13½	14
25½	15	80c	3.6	Can. Nor. Pr.	....	22	..	..	..
107	104	7	6.6	Do. pref.	30	106	106	106	106
6	1	.	...	Can. Paving	25	1	1	1	1
51	25	.	...	Do. pref.	....	25	..	..	..
216	195	12	6	Can. Perman.	22	200	200	200	200
4.50	.50	.	...	Can. Pr. & Pa.	355	.60	.60	.50	.60
9	3	.	...	Can. Steamsh's	100	3½	3	3	3
27	9	.	...	Do. pref.	205	10	10	9⅞	10
20	14½	1.60	8.9	Can. Vinegar	122	17½	18½	18	18
70	54½	4	6.5	Can. W. Cable	50	61	61	61	61
30½	20	1.75	8.3	Do. (B)	400	21½	21	21	21
16	9¾	.	...	Can. Bakeries	....	9¾	..	..	..
35	35	4	11.4	Do. pref.	....	35	..	..	..
232	199	12+1	6.5	Can. Bk. Com.	442	201	202	200	201
36½	19	2.50	11.9	Can. Bronze	60	22	22	21	22
110	105	7	6.5	Do. pref.	....	108	..	..	..
13½	8	50c	5.9	Can. Canners	....	8½	..	..	..
92¾	82	6	7.2	Do. 1st pref.	52	84	83	82	82
14	8⅝	80c	8	Do. 2nd pref.	90	11	10½	10	10
19	9½	1.75	16.4	Can. Car & F'y	194	10½	10¾	10¼	10½
25½	16¼	1.75	9.6	Do. pref.	305	19	18¾	18	18½
14½	6⅛	.	...	Can. Celanese	10	8	7½	7½	7½
73½	59	7	10	Do. pref.	....	70	..	..	..
58	30	4	12.5	Can. Convert.	....	32	..	..	..
x50	45	.	...	Can. Cottons	....	..	..	..	..
55	51	6	11.8	Do. pref.	....	51	..	..	..
36½	23¾	3	11.1	Can. Dredge	250	28	27	26	26½
92	92	7	7.6	Do. pref.	....	92	..	..	..
81⅜	79	6	7.5	Can. Fairb. pf.	....	80	..	..	..
6	5⅞	.	...	Can. For. Inv.	....	5¾	..	..	..
80	80	8	10	Do. pref.	....	80	..	..	..
300	200	4	2	Can. Gen. Elec.	....	200	..	..	..
63½	59½	3.50	5.6	Do. pref.	269	61	62	60¾	62
80	52	6	9.1	Can. Hyd. E. p	115	65	68	65	65½
5½	1½	.	...	Can. Ind. Alc.	710	2½	2¼	2	2
3½	⅞	.	...	Do. (B)	....	1	..	..	..
5.00	3.95	.	...	Can. Int. I. Tr.	....	3.95	..	..	..
70	65	5	7.7	Do. pref.	....	65	..	..	..
42	15	1	...	Can. Lt. & Pr.	....	25	..	..	..
18	18	.	...	Can. Locomo.	....	18	..	..	..
25	10	.	...	Do. pref.	....	10	..	..	..
b4½	1⅞	.	...	Can. Marconi	600	2½	2½	2⅜	2⅜
23½	9	1	9.1	Can. Oil	....	11	..	..	..
120	96	8	8.3	Do. pref.	....	96	..	..	..
45½	21	1.25	5.7	Can. Pacific	5547	22¾	23	21	21⅝
6½	5	.	...	C. Pr. & Pa. In.	....	5	..	..	..
6½	2⅞	.	...	Can. Vickers	45	3	3	3	3
35	16	.	...	Do. pref.	....	20	..	..	..
6	2½	50c	14.3	Can. Wineries	25	3½	3½	3½	3½
16	6	1	12.5	Can. Wire Box	....	8	..	..	..
3	⅝	.	...	Carling Brew.	....	⅞	..	..	..
12	12	.	...	Catelli Mac. A.	....	12	..	..	..
5	5	.	...	Do. (B)	....	5	..	..	..
301	290	12+3	5	Cent. Can. L'n	....	300	..	..	..
5.35	1.50	.	...	Chem. Research	16150	2.25	2.85	2.25	2.65
64	57	2	...	City Dairy	....	..	..	..	..
x155	120	7	...	Do. pref.	....	..	..	..	..
20.25	9.00	30c(c)	..	Cities Service	....	9.15	..	..	..
10	4½	.	...	Cockshutt Plow	205	5½	5½	5	5½
9	3	.	...	Comm. Alcohol	....	4	..	..	..
9	4	.	...	Conduits	10	4	5	5	5
94	84	7	7.8	Do. pref.	....	90	..	..	..
12⅞	7½	1	10.8	Cons. Bakeries	25	9½	9½	9½	9½
3	½	.	...	Cons. Food Pr.	5	1	¾	¾	¾
6	3	.	...	Do. (A)	....	3	..	..	..
18⅝	10½	80+20c	6.7	Cons. Indust.	35	15	15½	15	15
31	25	2	8	Cons. Press	....	25	..	..	..
80	62	7	10	Cons. Sand. pf.	....	70	..	..	..
188½	71½	2.50†	2.6	Cons. Smelters	355	96	96	94	95½
187	180½	10	5.4	Consumers Gas	136	184	184	183	184
x35	30	.	...	Cooksville Co.	....	..	..	..	..
x85	85	4	...	Do. pref.	....	..	..	..	..
20½	15	.	...	Corporate Steel	....	15	..	..	..
x90	90	.	...	Corr. P. Box, p	....	..	..	..	..
2½	1	.	...	Cosgrave Br.	355	2	2	2⅛	2¼
9	5	.	...	Cosmos Imp.	....	6	..	..	..
93	65	7	10.8	Do. pref.	....	65	..	..	..
6½	2	.	...	Crown Dom. Oil	75	3½	3½	3½	3½
15	8½	3	...	Crow's N. Coal	....	10⅛	..	..	..
5	4	.	...	David & Fre. B	....	4	..	..	..
12½	12½	.	...	De Havilland	....	12½	..	..	..
9	9	.	...	Disher Steel	14	9	9	9	9
x18	17	1.50	...	Do. pref.	....	..	..	..	..
12⅞	8	1	10.8	Distill-Seagram	415	9½	9⅝	9	9¼
228	207	12+1	6.2	Dominion Bk.	41	208	208½	208	208
55¾	27½	3	8.8	Dom. Bridge	550	34	34	33½	33½
40	40	.	...	Dom. Coal	....	40	..	..	..
50	15	.	...	Dom. Engineer.	18	20	20	17	20
x14	10	.	...	Dom. Found.	....	..	..	..	..
126	90	7	7.1	Dom. Glass	15	100	98	98	98
125	119	7	5.8	Do. pref.	10	125	120	120	120
20	20	.	...	Dom. Iron, pf.	....	20	..	..	..
14	10	.	...	Dom. Pr. Stubs.	....	12	..	..	..
24	24	.	...	Dom. Steel, pf.	....	24	..	..	..
8½	2½	.	...	Dom. St. & C B	260	2¾	3	2¾	2¾
24½	13¾	1.20	5.1	Dom. Stores	601	23½	23½	22¾	23¼
14	5	.	...	Dom. Tar & Ch.	50	6¼	7	6¾	7
93	80	6.50	8.1	Do. pref.	30	80	80	80	80
83	63	5	7.4	Dom. Textile	30	68	67½	66	67½
123	120	7	5.8	Do. pref.	....	120	..	..	..
12	10	.	...	Donnacona	....	10	..	..	..
7	2½	.	...	Dryden Paper	60	3½	3½	3½	3½
7½	3	.	...	Duff. Paving	2	6	6	6	6
80	68	7	10.3	Do. pref.	....	68	..	..	..
11¾	4	40c	10	Durant Motors	....	4	..	..	..
25½	16	1	4.3	East. Dairies	86	22	23	22½	23
20	18	1+1	...	East. Steel	....	18	..	..	..
100	97	7	7.2	Do. pref.	....	97	..	..	..
16	16	.	...	East Koot. Pr.	....	16	..	..	..
97	94⅜	7	7.3	Do. pref.	....	96	..	..	..
x34	28½	2	...	East. Theatres	....	..	..	..	..
x85	80	7	...	Do. pref.	....	..	..	..	..
3⅜	3⅜	.	...	Easy Washer	....	3⅜	..	..	..
37	34½	2.50	6.7	Economic Inv.	....	37	..	..	..
15	15	.	...	Edmonton D'y	10	15	15	15	15
80	80	6.50	8.1	Do. pref.	....	80	..	..	..
8	5	.	...	Enam. & Heat.	....	5	..	..	..
40	28½	3	10.5	Eng. Electric	5	28½	28½	28½	28½
16	7	.	...	Do. (B)	1	10	7	7	7
39½	16	2	11.1	Fam. Players	....	18	..	..	..
33½	18	2	11.1	Do. Vot. Tr.	....	18	..	..	..
18	9¾	1	9.1	Fanny Farmer	....	11	..	..	..
34	28	2.40	7.4	Do. pref.	....	32½	..	..	..
x.25	.10	.	...	Federal Distil.	....	..	..	..	..
x83½	75	.	...	Firstbrook Box	....	..	..	..	..
29¼	14½	1.20	6.8	Ford Motors A	433	17¾	18	17⅛	17⅛
15	6	.	...	For. Pr. Secs.	....	12½	..	..	..
16½	8½	1	11.7	Foundation Co.	....	8½	..	..	..
3	½	.	...	Fraser Cos.	....	1¼	..	..	..
25	25	.	...	Fron. Brew. pf.	....	25	..	..	..
8	5	.	...	Frost Steel	....	7	..	..	..
96½	85	7	7.9	Do. pref.	....	88	..	..	..
7½	2½	.	...	Gen. St. Wares	110	2½	2⅞	2½	2½
119	70	5+2.50	7.5	Goodyear Tire	10	100	100	95	95
107⅞	94½	7	6.8	Do. pref.	93	103	102½	101¼	102½
93½	93½	7	7.5	Gould Pumps, p	....	93½	..	..	..
¾	½	.	...	Gt. W. Saddlery	....	½	..	..	..
8	6	.	...	Do. pref.	....	8	..	..	..
31	20	2	8	Gurd, Chas.	50	25½	25	25	25
12⅞	7⅛	80c	10.1	Gypsum, Lime	389	8	8	7½	7½
20½	7	.	...	Ham. Bridge	380	7½	8¼	7⅝	7⅝
80	63	6.50	10	Do. pref.	....	65	..	..	..
19	13	2	15.4	Ham. Cotton, p	....	13	..	..	..
4½	3	.	...	Ham. U. Theat	....	3	..	..	..
63	55	7	11.7	Do. pref.	....	60	..	..	..
12	4	.	...	Hayes Wheel	....	4	..	..	..
x95	80	.	...	Do. pref.	....	..	..	..	..
x50	50	.	...	Hillcrest Coll.	....	..	..	..	..
x91	91	7	...	Do. pref.	....	..	..	..	..
4	3½	.	...	Hinde & Dauch	....	3½	..	..	..
x120	120	.	...	Holt, Renfrew	....	..	..	..	..
x96½	90	7	...	Do. pref.	....	..	..	..	..
7	3	.	...	Honey Dew	100	7	3	3	3
59	50	7	12.0	Do. pref.	11	54	54	54	54
6	3	.	...	H. Smith Pap.	5	4	4	4	4
45½	30	.	...	Do. pref.	....	38	..	..	..

Range 1931 High	Low	Divd. Rate in $	Yield in % Aug. 22	Stock	Sales	Close Aug. 17 (or last)	Week Ending Aug. 24 High	Low	Close
20	15	2	10	Humberstone S.	....	20	..	..	..
23½	17	1.40+50	10	Hunt (A)	50	18½	18½	18½	18½
23½	18½	1.40+50	10	Do. (B)	....	18½	..	..	..
150	146	8	5.5	Huron & E. M.	....	146	..	..	..
29½	28½	.	...	Do. 20% pd.	....	28½	..	..	..
29⅝	16¾	1.40	6.8	Hydro Electric	....	20½	..	..	..
225	201	12+1	6.3	Imperial Bk.	10	205	205	205	205
18⅜	9⅞	50+50c	7.6	Imperial Oil	17000	13½	14½	12⅞	13
10½	9	35+20c	5.6	Imperial Tob.	910	9⅞	9⅞	9½	9½
29	22	2a	...	Int. Hyd. E. (A)	10	24⅜	23⅜	23⅜	23⅜
103	92	7	7.4	Inter. Mill. pf.	20	95	95	95	95
80	80	6	7.5	Do. Series (A)	....	80	..	..	..
20½	9½	40c	3.1	Inter. Nickel	17217	13½	13½	12¾	13
10	5	.	...	Inter. Paints	....	5	..	..	..
b10½	3¾	.	...	Int. P. & Pr A	300	3¾	4½	4	4
b6	2½	.	...	Do. (B)	....	2½	..	..	..
b4½	1¾	.	...	Do. (C)	500	2½	2⅜	2½	2½
b48½	18½	.	...	Do. pref.	500	20½	20½	19⅞	19⅞
15½	8¼	1	7.5	Inter. Pete.	6826	13	14⅛	12⅝	12⅝
8	5½	.	...	Inter. Power	85	5½	5½	5½	5½
73	60	7	11.3	Do. pref.	....	62	..	..	..
45	31	3.50	10.5	Int. Util. (A)	285	33	33¼	32¾	33
11	5¾	.	...	Do. (B)	400	7¼	6½	6¼	6¼
40	40	1	2.5	Jam. Pub. Ser.	....	40	..	..	..
109	103	7	6.8	Do. pref.	....	103	..	..	..
5¼	2½	.	...	Kelvinator	225	4¼	5¼	5	5
90	73½	7	7.8	Do. pref.	322	81	90	90	90
x40	40	.	...	King Ed. Hotel	....	..	..	..	..
24	7½	.	...	Lake of Woods	270	7½	7½	7½	7½
101	82	7	8.5	Do. pref.	....	82	..	..	..
140	140	8	5.7	Landed Bank.	....	140	..	..	..
46	33	3	7.5	Laura Secord	50	40	40	40	40
16	8¾	1	11.1	Lindsay, C. W.	5	8¾	9	9	9
72½	65	6.50	9.7	Do. pref.	....	67	..	..	..
14½	11	80c	6.4	Loblaw (A)	979	12¼	12¾	12⅛	12¼
14½	10	80c	6.8	Do. (B)	60	11½	11¾	11¾	11¾
x2¾	2¾	.	...	Loew's, London	....	..	..	..	..
25	10	.	...	MacKin. Steel	....	20	..	..	..
95	90	7	7.8	Do. pref.	40	92	90	90	90
x36	20	.	...	Manitoba Pr.	....	..	..	..	..
8	6	.	...	Maple Leaf	....	6	..	..	..
40	15	.	...	Do. pref.	....	15	..	..	..
32	30	.	...	Marcus Loew's	....	30	..	..	..
71	70	7	9.8	Do. pref.	....	70	..	..	..
10½	3⅜	.	...	Massey-Harris	131	4½	4½	4⅛	4½
22½	9⅜	60c	4.6	McColl Fron.	1255	13	13⅝	12¾	12¾
80	69¾	6	7.9	Do. pref.	....	76	..	..	..
45	35	.	...	Mexican L. & P.	....	35	..	..	..
x25	25	.	...	Mercury Mills	....	..	..	..	..
x89	58½	.	...	Do. pref.	....	..	..	..	..
40½	40	1	2.5	Mitchell, J. S.	....	40	..	..	..
105	104	7	6.7	Do. pref.	10	105	104	104	104
20	13	1	7.7	Mitchell, Robt.	....	13	..	..	..
1	1	.	...	Monarch Knit.	....	1	..	..	..
38	38	.	...	Do. pref.	....	38	..	..	..
95½	83½	6	6.4	Montreal Cot.	....	93	..	..	..
102	98	7	7	Do. pref.	....	100	..	..	..
3½	2	.	...	Montreal Exhib.	200	3	2	2	2
20	14½	.	...	Mont. Is. Pr.	71	16	15	14½	15
68½	38½	1.50	3.2	Mont. L. & Pr.	3686	47½	48	45½	46¼
49½	48	3+25	6.8	Montreal Loan	....	48	..	..	..
60	48	3.20	6.4	Montreal Tele.	80	52	50	50	50
177	150	10	6.4	Mont. Trams.	16	160	160	155	155
17¾	11½	1	7.1	Moore Corp. c.	....	14	..	..	..
108½	98	7	7	Do. (A)	25	101	100	100	100
126	103½	7	6.2	Do. (B)	....	110	..	..	..
x10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
x49	49	1	...	Do. pref.	....	..	..	..	..
3½	2	30c	15	Muirheads	....	2	..	..	..
10	6	75c	7.9	Do. pref.	....	9½	..	..	..
35½	24	1.60	5.8	Nat. Breweries	412	27	27½	27	27
35	27	1.75	5.4	Do. pref.	42	33	33	32	32
x10	3	.	...	Nat. Brick	....	..	..	..	..
19	5	.	...	Do. pref.	....	5	..	..	..
.50	.25	.	...	Nat. Distiller.	....	.40	..	..	..
42	17½	2	11.1	Nat. Steel Car	25	18	18	17½	18
360	255	14	5.5	National Trust	....	255	..	..	..
13	10⅝	1.50	14.1	Niag. W. Weav.	....	10⅝	..	..	..
36	32	3	9.4	Do. pref.	....	32	..	..	..
x90	89¾	.	...	Nor. Mex. Pr.	....	..	..	..	..
70	70	.	...	Do. pref.	....	70	..	..	..
6.00	2.00	.	...	North Star Oil	25	2.50	2.50	2.50	2.50
4.95	4.50	35c	7.4	Do. pref.	....	4.70	..	..	..
x25	22½	.	...	N.S. Steel, pf.	....	..	..	..	..
285	125	8	4.2	Ogilvie Flour	....	190	..	..	..
130	116½	7	5.9	Do. pref.	....	118	..	..	..
21	13⅜	6	4.3	Ont. Eq. 10% p	200	15	14	14	14
119	113	6	5.1	Ontario Loan	....	118	..	..	..
7	5	.	...	Ont. Silknit	....	7	..	..	..
16	13	80c	6.1	Ont. Steel	....	13	..	..	..
x105	105	7	14	Do. pref.	....	..	..	..	..
1½	1	.	...	Orange Crush	....	1	..	..	..
60	50	7	...	Do. (A)	....	50	..	..	..
5½	2½	.	...	Do. (B)	....	2½	..	..	..
110	90	6	5.7	Ott. L. H. & Pr	50	107½	105	105	105
105½	102	6.50	6.2	Do. pref.	....	105½	..	..	..
25	25	.	...	Ott. Traction	....	25	..	..	..
92½	68	5	6.2	Page-Hersey	70	79¾	80½	79½	80
49	25	2.50	10	Paramount	....	25	..	..	..
35	34	.	...	Paton Mfg.	....	35	..	..	..
94	82	7	7.4	Do. pref.	....	94	..	..	..
½	¼	.	...	Pelissiers	....	⅜	..	..	..
30	25	.	...	Do. pref.	....	30	..	..	..
73	33	4	11.4	Penmans	20	35	35	35	35
101	93	6	6.4	Do. pref.	....	93	..	..	..
.75	.50	.	...	Perfec. Glass	....	.50	..	..	..
29	18	2	8.7	Photo Eng.	30	23	23	23	23
40	10	.	...	Port Alfred pf.	....	10	..	..	..
70	64	7	10	Porto Rico pf.	....	70	..	..	..
b39½	18	.	...	Postal Teleg.	....	..	..	..	..
63½	39½	2	4.5	Power Corp.	625	43¾	44	43	43
102	95	6	6.2	Do. pref.	55	98	97	96	97
4½	3	.	...	Prairie C. Oil	....	3	..	..	..
16	8½	50c	5.5	Pressed Metals	....	9	..	..	..
42½	26½	2	7.1	Price Bros.	2275	26½	28	27	27¼
99	83¾	6.50	7.7	Do. pref.	140	84	84½	84	84¼
49	31½	2.50	7.9	Quebec Power	246	32	32½	31½	32
110	105	7	6.7	Real Estate In.	....	105	..	..	..
3	1	.	...	Regent Knit.	200	1½	2	2	2
10	5½	.	...	Reliance Grain	....	7	..	..	..
16	9	2	15	River. S. Mills	10	14½	13½	13½	13½
19½	10	1.50	12.5	Robinson Cone	....	12	..	..	..
16½	10	1.20	11.7	Rogers Majes.	140	10½	10½	10	10½
291	235	12+2	5.8	Royal Bank	526	241	241½	239½	240
84	75	7	9.3	Ruddy, E. L. p.	....	75	..	..	..
77¾	61¾	4	6.5	Russell Motor	10	62¾	61¾	61¾	61¾
95	81¼	7	8.6	Do. pref.	10	82	81¼	81¼	81¼
7	7	.	...	Sarnia Br. (A)	....	7	..	..	..
x12	5	.	...	Do. (B)	....	..	..	..	..
36½	9½	1.60	14.5	Serv. Station	740	11¼	11¼	11	11
90½	54	6	8.8	Do. pref.	....	68	..	..	..
59½	34¾	2.50	6.1	Shawinigan	1188	41	41	40½	40½
30	21	1.60	6.4	Sher.-Wms.	....	25	..	..	..
121	115	7	6.1	Do. pref.	....	115	..	..	..
22	14	2.50	13.9	Simon & Son	....	18	..	..	..
92	88½	7	7.6	Do. pref.	10	91½	92	92	92
92½	73	6.50	8.2	Simpsons Ltd.	30	80	79½	79⅜	79½
44½	36	2	5.5	Do. (A)	10	38	36	36	36
35½	24½	.	...	Do. (B)	....	29	..	..	..
108	103	6	5.6	Simpson, Robt.	5	106¼	106¼	106¼	106¼
4	1	.	...	St. Law. Corp.	10	1½	1½	1½	1½
12	2½	.	...	Do. (A)	35	4½	4	4½	4½
20	16	.	...	St. Law. Flour	....	16	..	..	..
85	82	7	8.2	Do. pref.	....	85	..	..	..
30½	10	.	...	St. Law. Pap. p	1	10	12	12	12
30	4	.	...	St. Maur. V. p	....	4	..	..	..
32	22¾	1	3.6	So. Can. Pr.	5	28½	29	29	29
106½	104½	6	5.7	Do. pref.	263	106	106	105½	106
16⅛	5	.	...	St. Pav. & Mat.	115	6	5½	5½	5½
80	60	7	11.7	Do. pref.	60	70	60	60	60
1	1	.	...	Stanfords	....	1	..	..	..
15	6	1	...	Stand. Chem.	32	7	6	6	6
9⅞	3½	.	...	Stand. Steel	135	4	4½	4½	4½
35	30	3	10	Do. pref.	....	30	..	..	..
42¼	24¾	1.75	6.1	Steel of Can.	269	28	29½	28	28
37	28¾	1.75	5.3	Do. pref.	110	33	33	32	32
4½	2½	.	...	Sterling Coal	....	2½	..	..	..
32½	12¾	1	5.5	Sup. Pet. Ord.	90	18½	19	18	18
105	94	7	7.4	Do. pref.	....	94½	..	..	..
31	14	1	5.9	Do. com.	....	17	..	..	..
49	41	.	...	Tamblyn	20	49	49	49	49
105½	101	7	6.7	Do. pref.	....	105½	..	..	..
30	20	3.50	17.5	Thayers, pref.	....	20	..	..	..
13	6½	.	...	Tip Top Tailors	....	8	..	..	..
90	77	7	8.3	Do. pref.	....	84	..	..	..
22	10	.	...	Tooke Bros.	....	10	..	..	..
67	50	7	14	Do. pref.	....	50	..	..	..
15	9½	.	...	Tor. Elevators	50	11½	12	12	12
235	210	12	5.4	Tor. Gen. Tr.	....	221	..	..	..
115	108	6	5.4	Toronto Mtge.	....	110	..	..	..
3	1½	.	...	Traymore	....	1½	..	..	..
12½	9½	1.40	14	Do. pref.	....	10	..	..	..
128	120	7	5.5	Tuckett Tob. p	....	128	..	..	..
17½	6½	.	...	Twin City	810	7	8	6½	8
b62	35½	7	...	Do. pref.	....	..	..	..	..
45	28	.	...	Do. (notes)	....	43	..	..	..
16	9⅜	1	9.5	Union N. Gas.	15	10¾	11	10½	10½
101½	98	7+1	8	Union Trust	....	100	..	..	..
8	3	.	...	United Fuel	....	3	..	..	..
65	24	4	11.4	Do. pref.	25	30	35	35	35
62½	49⅝	2	3.2	United Secs.	4	50	62½	62½	62½
24½	8½	.	...	Viau Biscuit	....	13	..	..	..
85	75	7	9.3	Do. pref.	....	75	..	..	..
30	20	.	...	Wabasso Cot.	....	20	..	..	..
8⅝	4½	50c	10.2	Walker-Good.	6687	5½	5½	4¾	5
7¾	2	.	...	Waterloo Mfg.	....	3½	..	..	..
45	30	1	2.3	Weston	120	39	42½	39	42
90	80	7	8.7	Do. pref.	....	80	..	..	..
17½	7	.	...	West. Can. Fl.	....	8	..	..	..
96	80	6.50	7.9	Do. pref.	....	82	..	..	..
17	10	.	...	West. Grocers	....	10	..	..	..
55	40	7	17.5	Do. pref.	....	40	..	..	..
91	85	6.50	7.1	W. Steel Pr. p.	....	91	..	..	..
x9	9	.	...	Whittall Can	....	..	..	..	..
13	10	.	...	Windsor Hotel	....	12	..	..	..
73	71	6.50	9.1	Do. pref.	....	71	..	..	..
21½	10	.	...	Winnipeg Elec.	140	11	10	10	10
81½	58	7	13.2	Do. pref.	1	58	53	53	53
‡30	30	.	...	Woods Mfg.	....	..	..	..	..
40	36	.	...	Do. pref.	....	36	..	..	..
80	80	7	8.7	Wood Alex. J.p.	....	80	..	..	..
x2½	1½	.	...	Zimmerknit	....	..	..	..	..
7	7	.	...	Do. pref.	....	7	..	..	..

x Quotations for 1930. No sales recorded in 1931 to date.
a Or payable in stock.
b New York Quotations.
‡ Quotations for 1929.
c 2½c monthly plus stock dividend of .005% monthly.
† Plus stock bonus.

Winnipeg Stock Exchange

August 17

	Bid	Ask		Bid	Ask
Beaver Fire	..	120	Gt. West Life	..	475
Beaver Lumber. c.	5	...	Home Investment	30	...
Do., pref.	..	100	Monarch Life	..	32
Can. Amer. Tr. shs.	...	5.31	Nor. Can. Mtge. pf.	15	...
Can. Fire Ins.	..	85	Nor. Can. Mtge. c.	½	...
Can. Indemnity	120	...	Un. Gr. Growers	..	11
Crescent Creamery	90	...	West Breweries	..	2½

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Agnew-Surpass Shoe pfd.	$7	$1.75	Oct. 1	Sept. 15
Assoc. Telephone & Tel. "A"	...	$1+50c	Oct. 1	Sept. 16
Do.	...	$1+50c	Jan. 1/32	Dec. 17
Brit. American Oil	80c	20c	Oct. 1	Sept. 14
Belding Corticelli pfd.	7%	1¾%	Sept. 15	Aug. 31
Bank Can. Nationale	10%	2½%	Sept. 1	Aug. 15
Bank of Nova Scotia	16%	4%	Oct. 1	Sept. 15
Bank of Montreal	12+2%	3%	Sept. 1	July 31
Borden Co.	$3	75c	Sept. 1	Aug. 15
Bank of Toronto	12+1%	3%	Sept. 1	Aug. 15
Brazilian Traction, ord.	...	25c	Sept. 1	July 31
Canadian Oil pref.	8%	2%	Oct. 1	Sept. 19
Canadian Hydro Elec. pfd.	6%	1½%	Sept. 1	Aug. 1
Canadian Bank of Commerce	12+1%	3%	Sept. 1	July 31
Can. Wire & Cable "A"	...	$1	Sept. 15	Aug. 31
Do.	...	$1	Dec. 15	Nov. 30
Do., "B"	$1.75	43¾c	Sept. 15	Aug. 31
Do., pref.	6½%	1⅝%	Sept. 15	Aug. 31
Canadian Car, ord.	$1.75	43c	Aug. 31	Aug. 15
Do., pref.	$1.75	43c	Oct. 10	Sept. 25
Can. Celanese, pref.	7%	1¾%	Sept. 30	Sept. 15
Can. Gen. Electric, com.	$4	$1	Oct. 1	Sept. 15
Do., pref.	7%	1¾%	Oct. 1	Sept. 15
Can. Northern Power, com.	80c	20c	Oct. 26	Sept. 30
Do., pref.	7%	1¾%	Oct. 15	Sept. 30
Cities Service	30c	2½c+‡½%	Sept. 1	Aug. 15
Canada Vinegars	$1.60	40c	Sept. 1	Aug. 15
Crow's Nest Pass Coal	...	75c	Sept. 1	Aug. 8
Can. Pacific Railway	...	1¼%	Oct. 1	Sept. 1
Do., pref.	4%	2%	Oct. 1	Sept. 1
Can. Int. Invest. Trust pfd.	5%	1¼%	Sept. 1	Aug. 15
Canada Iron Foundries	3%	1½%	Sept. 15	Aug. 31
Do., pref.	6%	3%	Sept. 15	Aug. 31
Canada Cement, pref.	6½%	1⅝%	Sept. 30	Aug. 31
Cooksville Co., pfd.	4%	1%	Sept. 15	Aug. 31
Can. Silk Products, "A"	$1.50	37½c	Aug. 31	Aug. 15
Canada Permanent Mtge.	12%	3%	Oct. 1	Sept. 15
Canada Malting	$1.50	37½c	Sept. 15	Aug. 31
Can. West. Natural Gas, pfd.	$6	$1.50	Sept. 1	Aug. 15
Dominion Bank	12+1%	3%	Oct. 1	Sept. 19
Dominion Tar, pref.	6½%	1⅝%	Nov. 1	Oct. 15
East Kootenay Power pfd.	7%	1¾%	Sept. 15	Aug. 31
Eastern Theatres, com.	$2	50c	Sept. 1	July 31
Famous Players	$2	50c	Sept. 26	Sept. 4
Ford Hotel, com.	...	50c	Oct. 31	....
Gt. Brit. & Canada Inv. pref.	5%	2½%	Oct. 1	Sept. 19
Hamilton Un. Theatres pfd.	7%	1¾%	Sept. 30	Aug. 31
Hollinger Cons.	...	1%	Sept. 9	Aug. 26
Imperial Tobacco, ord.	7%	1¾%	Sept. 30	Sept. 2
Do., pref.	6%	3%	Sept. 30	Sept. 2
Inter. Nickel, com.	40c	10c	Sept. 30	Aug. 31
Imperial Oil	50c	12½c	Sept. 1	Aug. 15
Inter. Milling 1st pfd.	7%	1¾%	Sept. 1	Aug. 20
Do., "A" pref.	6%	1½%	Sept. 1	Aug. 20
International Petroleum	$1	25c	Sept. 15	Aug. 31
Internat. Proprietaries "A".	$2.60	65c	Sept. 15	Aug. 25
Do., participating	...	5c	Sept. 15	Aug. 25
Jamaica Public Service pfd.	7%	$1.75	Oct. 1	Sept. 15
Jones Bros. of Canada pfd.	6½%	$1.62½	Sept. 1	Aug. 20
Landed Bkg. & Loan	8%	2%	Oct. 1	Sept. 15
London & Can. Invest. pfd.	5%	1¼%	Sept. 1	Aug. 24
Lake of the Woods Mill. pfd.	7%	1¾%	Sept. 1	Aug. 15
C. W. Lindsay, com.	$1	25c	Sept. 1	Aug. 15
Do., pfd.	6½%	1⅝%	Sept. 1	Aug. 15
Loblaw Groceterias A & B	80c	20c	Sept. 1	Aug. 12
Legare, P. T., pref.	7%	1¾%	Sept. 1	Aug. 15
Laura Secord, com.	$3	75c	Sept. 1	Aug. 15
Lake Shore Mines	$2	50%	Sept. 15	Sept. 1
Montreal Cottons	6%	1½%	Sept. 15	Aug. 31
Do., pref.	7%	1¾%	Sept. 15	Aug. 31
McColl Frontenac	60c	15c	Sept. 15	Aug. 15
McIntyre Mines	20%	5%	Sept. 1	Aug. 1
Montreal Loan & Mortgage	$3	75c	Sept. 15	Aug. 31
New Method Laundry	6½%	1⅝%	Sept. 1	Aug. 25
Nova Scotia L. & P. pfd.	6%	1½%	Sept. 1	Aug. 15
Northern Ont. Pwr. pfd.	6%	1½%	Oct. 26	Sept. 30
Do., com.	$2	50c	Oct. 26	Sept. 30
National Grocers 2nd pfd.	7%	1¾%	Oct. 1	Sept. 18
National Steel Car	$2	50c.	Oct. 1	Sept. 17
Ogilvie Flour Mills, pref.	7%	1¾%	Sept. 1	Aug. 20
Photo Engravers	$2	50c	Sept. 1	Aug. 15
Premier Gold Mines	12c.	3c.	Oct. 1	Sept. 15
Power Corp., pref.	6%	1½%	Oct. 15	Sept. 30
Do., non-cum. pref.	6%	75c	Oct. 15	Sept. 30
Provincial Bank	9%	2¼%	Sept. 1	Aug. 15
Rogers Majestic "A"	$1.20	30c	Sept. 1	Aug. 18
Do., Class "B"	$1.20	30c	Sept. 1	Aug. 18
Rolland Paper pref.	6%	1½%	Sept. 1	Aug. 15
Reliance Grain pfd.	6½%	1⅝%	Sept. 15	Aug. 31
Royal Bank of Can.	12+2%	3%	Sept. 1	July 31
H. Simon & Sons, com.	$2.50	62½c	Sept. 1	Aug. 20
Do., pref.	7%	1¾%	Sept. 1	Aug. 20
Southern Can. Pr. pref.	6%	1½%	Oct. 15	Sept. 19
Standard Steel pref. "A"	$3	75c	Oct. 1	Sept. 15
Union Natural Gas	$1	25c	Sept. 10	Aug. 20
Walker, Hiram	50c	12½c	Sept. 15	Aug. 25
Windsor Hotel, pref.	6½%	1⅝%	Sept. 1	Aug. 15

‡½ of 1% stock payment.

Active Provincial & Municipal Bonds

Quotations furnished by A. E. Ames & Co. Limited, Canada Permanent Bldg., Toronto, Ont.

Provinces	Rate	Actual Mat.	Next Int. Date	—Approx.— Price	Yield
Alberta	4½	1 Oct., 1958	1 Oct.	94.05	4.90
Alberta	5	1 July, 1943	1 Jan.	100.45	4.95
Alberta	6	1 Apr., 1936	1 Oct.	103.99	5.00
British Columbia	4½	1 Oct., 1953	1 Oct.	97.95	4.65
British Columbia	5	15 Jan., 1948	15 Jan.	102.84	4.75
British Columbia	6	15 Aug., 1941	15 Feb.	109.44	4.80
Manitoba	4	1 July, 1947	1 Jan.	90.62	4.85
Manitoba	5	2 June, 1959	2 Dec.	102.28	4.85
Manitoba	5	15 June, 1943	15 Dec.	102.34	4.75
New Brunswick	4½	1 June, 1948	1 Dec.	100.59	4.45
New Brunswick	4½	15 June, 1936	15 Dec.	101.11	4.50
New Brunswick	6	1 Jan., 1936	1 Jan.	105.84	4.55
Nova Scotia	4½	15 Nov., 1948	15 Nov.	100.60	4.45
Nova Scotia	5	1 May, 1943	1 Nov.	104.60	4.50
Nova Scotia	6	1 Nov., 1936	1 Nov.	106.42	4.55
Ontario	4½	1 Sep., 1944	1 Sept.	100.98	4.40
Ontario	5	15 Oct., 1948	15 Oct.	106.50	4.45
Ontario	6	2 May, 1936	2 Nov.	107.00	4.42
P. E. I.	4	1 Apr., 1939	1 Oct.	96.67	4.50
P. E. I.	4½	1 Oct., 1944	1 Oct.	100.00	4.50
Quebec	4½	1 May, 1961	1 Nov.	99.50	4.27
Saskatchewan	4½	1 Oct., 1944	1 Oct.	95.26	5.00
Saskatchewan	5	1 Oct., 1950	1 Oct.	100.00	5.00
Saskatchewan	6	1 Feb., 1936	1 Feb.	103.58	5.10
Cities					
Montreal	5	1 Sep., 1963	1 Sept.	107.55	4.55
Toronto	4½	1 Sep., 1954	1 Sept.	100.72	4.45
Vancouver	4	1 Aug., 1946	1 Feb.	93.04	4.65
Winnipeg	5	1 Mar., 1944	1 Sept.	101.39	4.85
Edmonton	5½	1 May, 1945	1 Oct.	103.38	5.15
Calgary	5	1 Jan., 1943	1 Jan.	99.57	5.05
Halifax	6	1 July, 1951	1 Jan.	114.62	4.85
Saint John	5	15 Dec., 1950	15 Dec.	103.80	4.70
Regina	4½	1 July, 1950	1 Jan.	94.32	5.00
Victoria	5	21 July, 1945	21 Jan.	101.51	4.60
Quebec	5	1 June, 1948	1 Dec.	104.68	4.60

Listed Bond Quotations

Week Ending August 24

Montreal	Int. Rate	Due	Yield	Latest Ask	High	Low	Range 1931 High	Low
Abitibi, 1st mtge.	5	1953	...	...	...	...	78	49
Asbestos	5	1942	...	105	...	...	100	...
Asbestos, 1st mtge.	6	1941	...	...	...	...	20	15
Do., gen. mtge.	6	1956	...	14	...	...	9	...
Can. Cons. Rub.	6	1946	...	...	...	...	x102¾	102½
Can. Cottons	5	1940	6.68	...	...	...	91	88
Can. Forgings	6	1942	6.00	†100	...	...	100	...
Can. Locomotive	6	1951	...	†62	...	...	x96	...
Can. Pr. (La. Ser.)	5½	1958	...	8	...	...	28½	5
Do. (Way Ser.)	5½	1958	...	7	...	...	28½	5
Can. S. S. deb.	5	1943	...	...	...	...	x98¼	94
Cedars Rapids	5	1953	4.66	†105	...	...	105	101
Dom. Canners	6	1940	...	†103½	...	...	x103	...
Dom. Coal	5	1940	5.29	98⅜	...	...	98¾	98
McNish	6	1948	...	3.10	...	...	3.25	2.00
Mex. L. & Pr.	5	1940	10.05	...	...	...	73¼	70½
Mont. L. H. & Pr.	4½	1932	...	†100⅜	...	...	x100	98⅝
Mont. Tr. 1st mtge.	5	1941	4.86	†101¼	...	...	101½	99½
Mont. Tr. "A"	5	1955	5.49	...	93½	...	95½	91
Mont. Tr. G. & R. "B"	5	1955	5.51	94½	...	...	95⅛	91¾
Do. "C"	4½	1955	5.64	...	...	...	85	84
Do. "D"	5	1955	5.39	†93¾	...	...	95½	91¾
N. S. Steel	5	1959	9.28	†59	...	...	62⅝	58
Ogilvie Flour "A"	6	1932	5.35	†100½	...	...	100⅜	100
Do. "B"	6	1932	...	†100½	...	...	x108	101
Do. "C"	6	1932	5.73	†100½	...	...	100½	...
Ont. Steel	6	1943	...	106⅜	...	...	...	...
Porto R. Pr.	5	1936	6.79	...	...	...	93	92
Steel of Can.	6	1940	5.08	†106¾	...	...	107½	106¾
Wayagamack	6	1951	...	42	...	...	75	45
West. K. Pr.	6	1940	5.15	...	...	...	106	...
Winn. Elec.	5	1935	5.12	†99⅝	...	...	99½	98⅜
Toronto								
Canada Bread	6	1941	5.86	102	...	...	101½	101
Steel of Can.	6	1940	5.12	...	...	...	106½	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1931	....	100.40	....	....	101.70	99.95
Do.	5	1937	3.67	107.35	....	....	108.15	104.00
Victory Loan	5½	1933	3.52	104.66	104.75	104.40	105.25	103.00
Do.	5½	1934	4.05	104.70	104.70	104.50	105.30	102.95
Do.	5½	1937	3.59	110.90	....	....	112.40	107.05
Do., refund	4½	1940	4.24	102.05	102.12	102.10	102.30	99.55
Do., refund	5	1943	4.32	106.30	106.40	106.05	106.70	103.25
Do., refund	4½	1944	4.29	102.25	102.25	....	102.30	100.00
Do., refund	4½	1946	4.30	102.35	102.25	....	102.25	101.95
Do., renewal	5½	1932	3.66	102.60	102.20	....	103.00	101.60
Conversion Loan	4½	1956	4.35	101.95	102.00	....	102.10	101.45
Do.	4½	1957	4.38	102.75	102.75	....	102.75	102.20
Do.	4½	1958	4.31	104.60	104.65	....	104.65	103.95
Do.	4½	1959	4.38	104.70	104.50	....	104.75	104.10

xQuotations for 1930. None recorded in 1931 to date. †Latest bid.

Unlisted Canadian Securities

(Furnished by A. J. Pattison Jr. & Co. Limited

August 25, 1931

Industrial Stocks:	Bid	Ask.
Acadia Sugar c.	.20	.40
Acadia Sugar pfd.	1.70	2.50
Allens Coll. pfd.	30.00	....
Allens Lond. pfd.	30.00	....
Andian Nat. Corp.	24.00	29.00
Brand.-Hend. c.	10.50	22.00
Brand.-Hend. pfd.	81.00	90.00
Brewing Corp. of Can. c.	.30	.60
Brewing Corp. of Can. pfd.	3.50	5.50
B.C. Pulp & Pap. com.	1.75	....
B.C. Pulp & Paper 7% pfd.	....	48.00
Canada Biscuit pf.	....	9.50
Can. Crushed Stone pfd.	....	76.50
Can. Dom. Sugar com.	15.75	17.50
Can. Mach. c.	5.25	8.00
Can. Mach. 7% pf.	20.00	30.00
Can. Pack. c.	13.00	16.50
Can. Pack. 7% pf.	94.25	....
Can. Starch pfd.	71.00	....
Can. Wire & Cable pfd. w.w.	96.00	100.00
Can. Industires com. "A"	112.00	133.00
Can. Industries com. "B"	....	130.00
Can. Industries 7% pfd.	123.00	129.00
Can. Westing.	56.00	63.00
Can. Investors c.	8.00	10.00
Chase, A. W., 8% pfd.	37.50	44.00
Cons. Oka Sand & Gravel pfd.	....	81.00
Copeland Flour 6% pfd.	....	14.00
Dom. Foundries & Steel pfd.	50.00	60.00
Dom. Foundries & Steel c.	5.00	8.50
Dom. Mfrs. pfd.	71.00	....
Dunlop Tire 7% pfd.	....	93.50
Eastern Car 6% pfd.	47.50	58.50
Edmonton Stk. Yds. pfd. bonus	....	76.00
Freiman, A. J. pf.	61.00	....
Goderich Elev. & Transit	14.50	16.00
Greening Wire 7% pfd.	91.50	97.50
Guard. Realty pfd.	43.00	....
Harding Carp. pf.	....	65.00
Inter City Bak. c.	48.00	....
Internat. Proprietaries "A"	28.00	31.00
Loew's London c.	.50	1.50
Loew's London 7% pfd.	2.00	3.50
Maritime Tel. & Tel. c.	14.00	16.00
Maritime Tel. & Tel. pfd.	12.50	14.25
Morrow Screw Nut 7% pfd.	94.00	....
Mt. Royal Hotel Scrip	....	2.00
Mt. Royal Hotel com.	1.50	4.50
Mt. Royal Hotle 6% pfd.	21.00	26.00
Nat. Grocers c.	.85	1.65
Nat. Grocers 2nd 7% pfd	48.00	....
Para. Oshawa c.	10.00	....
Para. Oshawa pfd.	30.00	....
Prov. Paper pfd.	....	75.00
Standard Clay Products c.	27.00	....
Standard Fuel pfd. bonus	70.00	78.00
Supertest Petroleum "B" pfd.	17.00	....
Toronto Brick pfd.	68.00	....
Toronto Carp. c.	115.00	....
Toronto Carpet 8% pfd.	98.00	....
Toronto Elevator 7% pfd.	....	80.00
Toronto Hous. c.	25.00	35.00
Un. Amuse. "A"	18.00	27.00
Willards Choc. 8% pfd.	....	45.00
Can. Industries 7% pfd.	123.00	129.00

Insurance Stocks:	Bid	Ask
Br. Amer. Assce.	40.50	....
Canada Life Ass.	621.00	....
Canada Nat. Fire	....	34.00
Can. Fire Ins.	76.50	87.00
Capital Life 20% pd.	....	20.50
Commercial Life 10% pd.	....	22.50
Confederation Life 20% pd.	250.00	275.00
Continental Life 20% pd.	70.50	....
Crown Life	....	256.00
Dominion Fire	100.00	130.00
Dom. of Canada General Ins.	221.00	261.00
Dom. Life 50% pd.	295.00	345.00
Excelsior Life 30% pd.	101.00	126.00
Fed. Fire 25% pd.	36.50	....
Fidelity Ins. of Canada	....	96.00
Great West Life	460.00	525.00
Guar. Co. of N.A.	248.00	....
Halifax Fire	15.00	19.00
Imperial Life	405.00	450.00
Mfrs. Life	345.00	375.00
Monarch Life 10% pd.	28.50	35.00
Nat. Life 25% pd.	115.00	140.00
Saskatchewan Life 10% pd.	10.00	20.00
Sovereign Life 25% pd.	28.00	34.00
Sun Life Assur.	1,175	1,250
Western Assur. r.	40.00	50.00
Western Life 20% pd.	10.00	....
Trust, Loan & Bank Stocks:		
Br. Mtg. & Trust	171.00	....
Can. Gen. Invest. Trust 1st	27.50	32.00
2nd Can. Gen. Investments	6.50	8.25
Chartered Trust	101.00	110.00
Deb. & Sec. c.	....	80.50
Deb. & Sec. pfd.	58.00	64.00
Eastern Trust	169.00	180.00
Guelph & Ont. Inv. par $50	....	66.00
Lambton Loan & Savings	75.00	....
London & Western Trust	....	175.00
Midland Loan & Savings	14.00	....
Mtge. Disc. pfd.	3.50	4.75
Provincial Bank	119.00	130.00
Sec. Loan & Sav.	112.00	....
Sherbrooke Trust	110.00	....
Sterling Trust	86.50	....
Traders Fin. pfd.	....	80.00
Trusts & Guar.	76.00	85.00
Victoria Trust & Savings	171.00	....
Waterloo Trust & Savings	130.00	....
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	103.50	105.50
Calgary Pwr. pf.	90.00	96.00
Can. Light & Pwr. com.	....	23.00
Can. Northern Pwr. pfd.	105.50	....
Can. West. Nat. Gas LH&P pfd.	80.00	86.50
Great Lakes Pwr. pfd.	....	91.50
N.B. Pwr. 1st pfd.	51.00	66.00
N.B. Tel. c.	13.50	16.00
N.S. L&P c.	64.00	71.00
N.S. L&P pfd.	93.75	97.00
Ottawa LH&P 6½% pfd.	108.00	....
Power Corp. 6% pfd.	96.00	100.00
Recent London Quotations:		
Brewer Distillers		8s.
Can. & For. Sec.		7s. 6d.
Can. West. Lumber		1s. 9d.
Hudson's Bay		20s.
Do., 5% pfd.		60s.
Internat. Holdings		$2
Nfld. Pr. & Pap. deb. stk.		97½
Trust & Loan of Can. (15s. pd.)		6s. 3d.

Foreign Exchange

	New York Funds High	Low (Premium)	Last Year High	Low (Discount)
August 19	21-64	5-16	*1-64	Par
August 20	21-64	5-16	Par	1-32
August 21	41-128	19-64	1-32	7-64
August 22	5-16	9-32	1-8	9-64
August 24	5-16	19-64	1-8	*7-64
August 25	21-64	5-16	5-64	7-64

*Premium.

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
August 19	4.85 5-8	3.91 7-8	5.23 1-8
August 20	4.85 3-4	3.91 7-8	5.23 1-16
August 21	4.85 23-32	3.91 31-32	5.23
August 22	4.85 5-8	3.91 7-8	5.23
August 24	4.85 5-8	3.91 7-8	5.22 7-8
August 25	4.85 5-8	3.91 15-16	5.22 13-16

FOREIGN EXCHANGE

Par		Aug. 11	Aug. 18	Aug. 25
5.26	Italian	5.24⅜	5.24⅜	5.24¼
23.80	German	23.80	23.80¼	.....
13.90	Belgian	13.98½	13.96½	13.98½
49.80	Japanese	49.60	49.50	49.50

Winnipeg Grain Prices

Week to August 25

Crop Year from Aug. 14 High	Low		Open Aug. 19	High for week	Low for week	Close Aug. 25
		Wheat				
.70¾	.51⅞	Oct.	.55⅞	.57¼	.54⅛	.54⅝
.67½	.52⅜	Dec.	.56¼	.57¾	.54¾	.55⅜
.61⅜	.57¼	May	.60¾	.61¾	.58½	.59⅜
		Oats				
.32	.26¼	Oct.	.29⅜	.29⅞	.28¼	.28⅝
.23¼	.25⅜	Dec.	.27½	.28⅛	.27	.27⅝
.31¾	.28	May	.29	.30	.29	.29⅜
		Barley				
.36⅜	.25½	Oct.	.32¼	.33	.31½	.32¼
.33¼	.25⅜	Dec.	.27½	.28⅛	.27	.27⅝
.36¼	.33⅜	May	.35½	.35½	.33⅜	.34
		Flax				
1.25⅜	.95⅛	Oct.	1.05⅛	1.06⅜	1.01⅛	1.01¼
1.27	1.00	Dec.	1.06¼	1.06¾	1.01⅝	1.02
1.21	1.03	May	1.08	1.10¼	1.05½	1.05⅜
		Rye				
.40⅜	.28	Oct.	.31¾	.32¼	.30	.30⅜
.42	.29¾	Dec.	.32⅜	.33⅜	.31¼	.31⅝
.37½	.32½	May	.36¼	.37¼	.35	.35⅜

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo

Week of August 25

High	Low to date†		Close Aug. 18	High for week	Low for week	Close Aug. 25
		Wheat				
.70¼	.55¼	Oct.	.59¼	.60⅛	.58¼	.58⅛
.70½	.57⅛	Dec.	.61¼	.61⅜	.59⅝	.59⅜

†Since trading opened March 3.

A. J. Pattison, Jr. & Co. LIMITED

INVESTMENT BANKERS

Dealers in Unlisted Bonds and Shares

159 Bay Street, (First Floor) Toronto Elgin: 5101 (TEN LINES)

S. A. Morrison & Co.
LIMITED
INVESTMENT SECURITIES
BANKERS
Northern Ontario Bldg.
330 Bay St., Toronto 2

Hodgson Bros. & Dunton
Limited
INVESTMENT SECURITIES
240 St. James Street
Montreal
MArquette 5678

"An Address of Distinction"

Greater Value ... Too
LIGHT, airy and spacious rooms, luxuriously appointed ... tempting foods. Overlooking the quiet shores of Lake Michigan ... quickly accessible to vacation pleasures and business activities. Value-for-your-money in every detail of service. *Rates begin at $4 a day Permanent Suites at Special Discounts.*
THE DRAKE
HOTEL, CHICAGO
Under Blackstone Management

A Wise Precaution
By appointing The Royal Trust Company your STANDING-BY ATTORNEY to act for you if serious illness or accident should interrupt your ability to attend to your affairs, you are protecting yourself and your family against remote eventualities. Let us hold a Power of Attorney for you, and STAND BY ready to act if required to do so. We make no charge for holding a Power of Attorney unless required to act under it. We invite you to consult our officers.
THE ROYAL TRUST COMPANY
59 YONGE STREET, TORONTO
BRANCHES
CALGARY EDMONTON HALIFAX HAMILTON OTTAWA QUEBEC SAINT JOHN, N.B. ST. JOHN'S, NFLD. LONDON, ENGLAND TORONTO VANCOUVER VICTORIA WINNIPEG
HEAD OFFICE—MONTREAL
Assets under administration exceed $530,000,000
16

The Financial Post Answers Your Questions
USE THIS COUPON
THE FINANCIAL POST,
153 University Ave.,
Toronto.
Please send me The Financial Post for the next year (52 issues), this to also entitle me to obtain by letter, whenever I wish, a personal reply to my questions regarding any Canadian investment in which I may be interested. I enclose $5.00.
Name ....
Occupation ....
Address 777

I. P. NEWF'DLAND INCREASES SALES AND NET REVENUE

Lower Operating Costs Offset Decline in Prices

From Our Own Correspondent

MONTREAL.—International Power and Paper Co. of Newfoundland, a division of International Paper and Power Co., reports higher gross sales in the first six months of 1931 and an increase of 10 per cent in net revenue in the same period, despite the effect of the $5 per ton cut in newsprint prices. The report for the first half year is of particular interest since it constitutes the first half-yearly statement to be published by the company.

Lower operating costs have resulted from large savings in fuel expenditure, made possible by the installation of 58,000 h.p. additional generating capacity at the Deer Lake hydro-electric plant. Total installed capacity is now 156,000 h.p. The additional installation was made at low capital cost, only slightly over $28 a h.p.

Gross Sales Gain

Gross sales for the six months ended June 30, 1931, were $4,301,751 compared with $4,230,808 in the corresponding period of 1930. Net revenue of $1,519,468, compared with $1,364,479, and balance added to surplus was $402,840, compared with $182,658.

Sums provided for depreciation and depletion, however, were lower by some $132,000 at $299,908. Before depreciation, net revenue, including other income was at the rate of almost 13 times annual interest requirements on the first mortgage bonds, and ten times after depreciation and depletion.

Comparative Figures Given

Comparative figures for the first six months of the current year and 1930 are as follows:

	1931 $	1930 $
Gross sales	4,301,751	4,230,808
Net rev., inc. misc. income	1,519,468	1,364,480
Less: Deprec. & depl.	299,908	431,445
Int. on bonds	121,650	121,650
Int. on debs., other int., & bond disct.	695,070	628,727
Balance added to surp.	402,840	182,658
Surplus beginning	2,517,786	1,753,145
Surplus end	2,920,626	1,935,803

The report states there has been a steady increase in mill operating efficiency during the period under review. Output of newsprint from the Corner Brook mill averaged 515 tons a day in 1930, while output from the four machines earlier this year was further increased to an average of 546 tons a day.

In addition to these increases on the four newsprint machines, the wrapper machine at the mill has been adapted for manufacturing newsprint when not in use in its own division, a factor which has played a part in increasing total production.

Newfoundland as a whole continues to set the pace for other North American newsprint producers. During July last, production totalled 25,631 tons, bringing the output for the year up to date to 170,565. This was the highest seven months' output ever recorded by the Island.

GERMANY NEEDS POLICY OF FINANCIAL REFORM

(Continued from page 11)

diminish little by little. But the question is closely interwoven with political uncertainties. There is as yet no assurance that the fundamental conditions underlying the present distress have been or will be corrected. Many economists, basing their conclusions mainly on statistical grounds, believe that Germany is capable of coping with the situation. She has the most efficient and up-to-date industrial system in Europe. Her per capita wealth and income are large. Her balance of trade last year was favorable, and her yearly tax burden is not greatly out of proportion to those of other large nations. But the fact remains that the weakness of successive governments in Germany has prevented past expectations from being fulfilled, and it remains to be seen whether any government in the near future will be able to command the public following necessary to initiate and carry through a drastic programme of financial reform. The final decision rests with the German people.

U. S. Leather Plant Slated for Toronto

One of the largest manufacturers and tanners of upholstering leathers in the United States, the Lackawanna Leather Co. of Hacketstown, N.J., are establishing a plant in Toronto, according to a recent announcement made by the Toronto Industrial Commission.

The company, which has been carrying on business from a Toronto office and warehouse stock for the past eighteen months, is forming a Canadian subsidiary to be known as the Lackawanna Leather Co. of Canada, Ltd., which will engage in the processing, coloring and embossing of upholstery leathers. Manufacturing space at 88-90 Portland Street has been leased, and Robert Gall, who has represented the company in Canada for some time, will be in charge of Canadian operations.

ST. JOHN'S MANAGER NOW IN TORONTO

E. Holmes Now Supervisor Foreign Dept. Bank of Commerce

E. Holmes, who was recently appointed supervisor of the Foreign Department at the head office of the Canadian Bank of Commerce in Toronto.

E. Holmes

Mr. Holmes has been with the bank since 1911 and has been attached to various branches in Newfoundland since 1919, leaving the managership of the St. John's office to take up his present appointment. He succeeds T. B. Weatherbee, now vice-president of the bank's California subsidiary, Canadian Bank of Commerce, California.

Kingston Bank Veteran Retiring in September

James Rowland, manager of the Bank of Commerce, Standard branch, at Kingston, Ontario, for fourteen years, will retire September 12, it is officially announced.

Mr. Rowland retires after 43 years' banking service, during which time he was manager of five branches. Mr. Rowland started his bank career in his home town of Newcastle. Thirty-five years ago he spent two years in Kingston as accountant. He was manager at Richmond Hill, Brighton, Brussels, Tillsonburg and Kingston.

Canadian Dredge Opens New Office in Montreal

Several large contracts in eastern Canada have been received by the Canadian Dredge & Dock Co., and the company has found it necessary to open a Montreal office, located in the Dominion Square Building. A. R. Dufresne, chief engineer of the company is in charge.

Eight out of ten of the company's dredging outfits are now operating in various parts of eastern Canada, and officials report that all work is proceeding satisfactorily. A considerable amount of dredging work is being done on the St. Lawrence river, and this work is likely to extend over several years' time.

PROHIBIT GAS PUMPS ON HIGHWAY LIMIT

New Brunswick Issues New Regulations For Suburban Areas

New regulations governing the erection of gasoline pumps and refreshment booths within the limits of the highways, outside of incorporated cities and towns, have been enacted by the New Brunswick government.

These regulations require that before any gasoline pump or refreshment booth can be erected within the limits of the highways, written permission must be first secured from the chief highway engineer or the district highway engineer. It is further required that no person shall, under the new regulations, erect a refreshment booth within the limits of any highway outside of incorporated cities and towns, and the order-in-council recently passed by the government states that "any person in charge of any gasoline pump or refreshment booth now erected within the limits of the highway shall remove same within thirty days after receiving notice in writing, signed by the Minister of Public Works, and if such gasoline pump or refreshment booth be not removed within the said thirty days after notice, the same may be removed as directed by the said minister."

The new regulations will become effective with the publication of the order-in-council in the next issue of The Royal Gazette.

Business Briefs

Pig-iron production during July was 28 per cent lower than for the preceding month, total being 40,403 long tons. This compares with 64,676 tons produced in July last year. Basic iron, largely used for further processing, was almost halved at 19,949 tons. Cumulative production for the first seven months of the year totalled 339,525 tons compared with 515,862 and 618,343 tons for same periods 1930 and 1929.

Steel ingot output made new low for year at 45,097 tons, 18 per cent below June level. Cumulative total for seven months was 506,974 tons, as against 705,037 tons for same period 1930.

Refined Sugar imports for June amounted to 2,615,400 lbs., as against 3,444,400 lbs. in June, 1930. Total for six months is 5,136,900 lbs., compared with 19,645,400 lbs. for the same period last year, respective values being $146,744 and $590,077.

Automobiles Exported by Canada for June had a total value of 424,062 as against $619,885 in May and $1.497,944 in June, 1930. Figures include passenger cars and trucks. Approximately one-third the number of passenger cars were exported this June compared with June last year.

Wheat Stocks at July 31 totalled 111,306,858 bushels, compared with 111,503,212 bushels for the previous week, and 102,527,864 bushels for week ended July 31, 1930. Other grains in store amounted to 31,955,755 bushels as against 32,166,838 at July 24, and 36,757,892 at August 1, 1930.

Cattle Exports to Great Britain for week ended August 6 totalled 1,027 head. Market as a whole showed steady tone on better classes, but off grades were slow and weak. Top price, Toronto, was $6.50; at Montreal two loads of steers made $6.75.

Car Loadings for week ended August 1st 46,802 cars were 1.7 p.c. lower than previous week, and 20.8 p.c. below same week last year, in comparison with which livestock shipments alone were heavier. Total loadings to date are 18.4 p.c. lower than 1930, all classifications sharing in reduction excepting grain and grain products and livestock from the western division, former being 9.4 p.c. heavier, latter fractional.

Concentrated Milk production in June was about 12½ per cent higher than in May, but nearly 17 p.c. lower than in June 1930; evaporated milk considerably heavier than in May. For six months to date total production, all items, 16.2 p.c. lower than first half 1930.

Coal Production by Canadian mines during June was 887,859 tons, a falling-off of 33.8 p.c. from the 1926-30 average for this month. Nova Scotia accounted for 48.6 p.c. of total; Alberta, about 26 p.c.; British Columbia, 22¼ p.c., Saskatchewan and New Brunswick the small balance. Exports of Canadian coal in June were 49 p.c., and imports 37 p.c., below 5-year averages for that month.

Coke Output during June, in Canada, showed a further seasonal decrease covering all producing areas. Total, 154,966 tons, compares with 193,198 in June, 1930. For year to date output was about 260,000 tons lower than last year, at 1,008,583 tons.

BRITISH BUSINESS BETTER FOR SUN

Arthur B. Wood Finds Increase to Date Over Last Year

Although general conditions in England showed little, if any sign of improvement, the business of the Sun Life of Canada, in Great Britain to date shows an increase over the same period last year, which was a record year.

Arthur B. Wood, vice-president of the Sun Life, has just returned to the head office at Montreal after a short visit to Great Britain where the company has an extensive organization. The Sun Life has a fine administrative office at Trafalgar Square and in addition maintains branch offices in the principal cities. In British business the Sun Life is now placed approximately third in the amount of business written yearly by eighty companies issuing ordinary business.

"Business in Great Britain shows an increase over last year," said Mr. Wood. "In some sections where trade conditions are bad the insurance business has fallen behind slightly, but other sections of the country more than make up for the loss."

U. S. Exports and Imports Fell to Low Level in July

Merchandise exports from the United States during July touched the lowest level since September, 1914, at a total of $183,000,000, according to preliminary figures issued by the U. S. Department of Commerce. This total represents a decline of about $4,000,000 below that for June, and is over $83,000,000 under the $266,761,000 reported for July, 1930. Comparing it with the last pre-depression July, that of 1929, the amount when exports totalled $402,861,000, a recession of 54 per cent is revealed.

Imports into the United States for July totalled $175,000,000, an increase of something more than $1,300,000 over the June receipts, but more than $45,000,000 under the $220,558,000 reported for July, 1930. A decline of over 50 per cent is shown by comparison with July, 1929.

The balance of trade in favor of the U. S. for the month was at the low point of $8,000,000, compared with $46,203,000 for the corresponding month a year ago.

Strawberry Returns Improve

According to Dr. Cummings, head of the provincial marketing bureau for Nova Scotia, the strawberry industry throughout the province this year, as a whole, gave the producers larger returns than for any previous season, due to a fifty per cent greater yield and a fifty per cent longer season.

Canadian Quotations—Cont'd

Active Current Bond Prices

August 25, 1931	Bid	Asked	Yield
Dominion of Canada 5½/33	104.25	104.75	3.37
Dominion of Canada 5½/34	104.25	104.75	3.95
Dominion of Canada 5/43	106.	106.75	4.25
Dominion of Canada 4½/46	101.75	102.25	4.28
Dominion of Canada 4½/56	101.75	102.25	4.35
Dominion of Canada 4½/58	104.25	105.	4.20
C. N. R. (Dom. of Can. Guar.) 5/54	105.50	106.50	4.55
C. N. R. (Dom. of Can. Guar.) 4¾/55	102.25	103.25	4.52
C. N. R. (Dom. of Can. Guar.) 4½/56	100.75	101.50	4.40
C. N. R. (Dom. of Can. Guar.) 5/69	106.	107.25	4.60
Province of Ontario 4½/44	100.	100.75	4.42
Province of Ontario 5/48	105.	106.	4.50
Province of Ontario (Hydro) 4¾/70	103.	103.75	4.55
Province of Quebec 4½/56	100.	101.	4.42
Abitibi Power & Paper 5/53	52.	55.	9.75
Argentine Gov't. Ser. B 6/58	66.25	68.	9.10
Beauharnois Power 6/59	79.	80.	7.75
Bell Telephone Co. of Canada 1st, 5/57	106.50	107.50	4.55
Brazil, U. S. of, Ext. S. F. 6½/57	46.25	47.	12.00
British Columbia Power 5/60	95.75	97.	5.20
British Columbia Power 5½/60	102.	103.	5.25
British Columbia Telephone 5/60	101.	102.	4.85
Calgary Power 5/60	95.25	96.50	5.22
Canada Brewing 5/42	102.	105.	4.40
Canada Cement 1st Mtge. S. F. 5½/47	100.	101.	5.40
Canada Gypsum Lime & Alabastine 5½/48	80.	85.	7.00
Canada Northern Power Corp. 5/53	90.50	93.	5.55
Canada Steamship Lines 1st & Gen. 6/41	40.	45.	14.00
C. P. R. Collateral Trust 5/64	103.	104.	4.60
C. P. R. Secured 4½/44 Notes	97.50	100.	4.50
Chile Republic Ext. S. F. 6/60	25.	28.75	...
Colombia Republic Ext. S. F. 6/61	45.75	46.	...
Davies, Wm. 6/42	93.	97.	6.25
Dominion Canners 6/40	102.50	105.50	5.25
Dominion Square Corporation 6/48	78.	82.	7.90
Dominion Tar & Chemical 6/49	95.	99.	6.10
Dominion Textile 6/49	106.	108.	5.30
Duke Price Power 1st, 6/66	103.	105.	5.70
Eastern Dairies, Ltd., Conv. 6/49	98.	101.	5.90
Eaton, T. Realty, 5/49	94.50	97.	5.25
Famous Players 6/48	92.	98.	6.20
Federal Grain 6/49	70.	80.	8.10
Foreign Power Securities Corp. 6/49	80.	85.	7.55
Fraser Companies 6/50	25.	35.	15.00
Gatineau Power, 1st Mtge. 5/56	90.25	92.	5.60
Gatineau Power, S. F. Debs., 6/41	85.	90.	7.40
General Steel Wares 6/52	57.	63.	10.00
Howard Smith Paper Mills 5½/53	65.	70.	8.55
Harris Abattoir 6/47	98.	101.	5.90
Manitoba Power, 1st S. F. 5½/51	75.	80.	7.40
Maple Leaf Milling 5½/49	88.	93.	6.10
Massey-Harris, 1st Mtge. 5/47	60.	65.	7.50
MacLaren Quebec Power 5½/61	90.	93.	6.00
Montreal Coke, 1st S. F. 5½/47	102.	103.	5.20
Montreal Island Power 5½/57	99.	100.	5.50
Montreal Light, Heat & Power 5/51	104.50	106.	4.35
Montreal Tramways 1st, Coll. Trust 5/41	101.75	102.25	4.70
Montreal Tramways Gen. Ref. 4½/55	85.	87.50	5.45
Montreal Tramways 5/55	93.50	95.	5.35
Moodie, J. R. 6/48	97.	100.	6.00
Ogilvie Flour Mills 6/32	100.50	102.	4.60
Ontario Power Service 5½/50	81.	85.	6.90
Ottawa Valley Power 5½/70	98.50	99.50	5.53
Power Corporation of Canada 4½/59	80.	85.	5.50
Price Bros. 1st S. F. Ser. "A" 6/43	92.	98.	6.25
Quebec Power 1st, Mtge. Coll. S. F. 5/68	101.50	103.	4.80
Shawinigan Water & Power 4½/70	97.	98.50	3.60
Shawinigan Water & Power 5/70	104.	105.50	4.72
Simpsons 6/49	96.	100.	6.00
Southern Canada Power 1st, 5/55	102.50	103.50	4.75
United Securities Coll. Trust 5½/52	99.50	101.	5.50
West Kootenay Power 5/56	100.25	101.	4.85
Windsor Hotel 6½/43	102.	104.50	5.90
Windsor Hotel 6/47	94.	96.	6.40
Winnipeg Electric 5/35	99.25	100.	5.00
Winnipeg Electric 6/54	80.	85.	7.35

Mining Stock Quotations

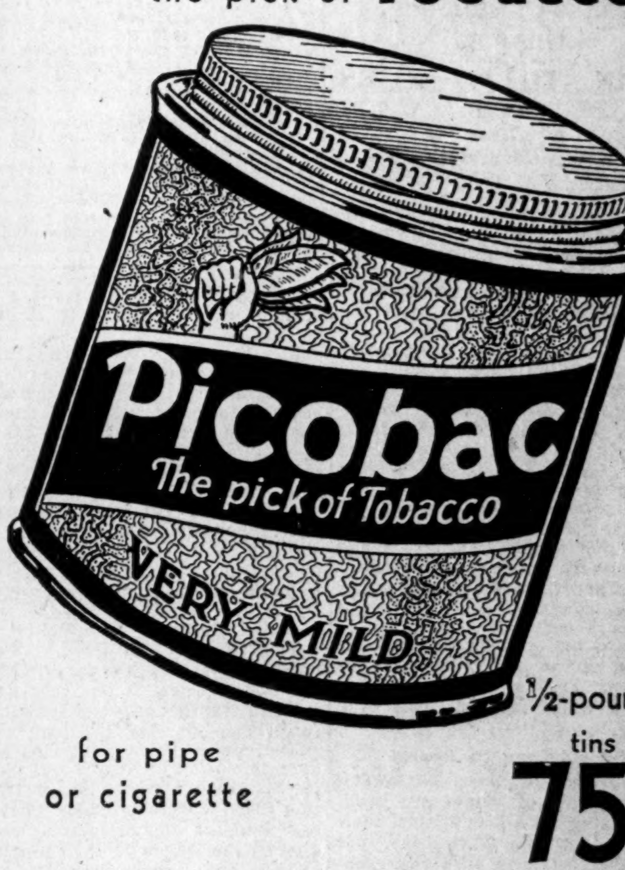
Week Ending August 24

Par Val.	Range 1931 High	Low	Company	Sales	Close Aug. 17 (or last)	High for Week	Low for Week	Close Aug. 24
1	.23	.03	Abana	7,300	.03½	.04	.04	.04
1	.03	.01	Aconda	....	.01½	....	....	....
1	.05½	.03½	Adrien	....	.04½	....	....	....
No	.50	.12	Aldermac	100	.25	.15	.15	.15
1	.19	.12	Alexandria	37,100	.12	.19	.12	.19
1	.05	.00½	Algonquin	42,000	.01	.01	.00½	.01
1	.02½	.01	Amity C.	....	.01½	....	....	....
No	.45	.12	Amulet	3 200	.16	.18	.15½	.18
1	.02½	.01	Apex	11,000	.01½	.01½	.01	.01
1	.05	.01	Area	1,000	.01½	.01½	.01½	.01½
1	.01	.00½	Argo. Cons.	....	.00½	....	....	....
1	.08½	.01	Arno	54,700	.02½	.03	.02½	.02½
1	.01½	.01	Astoria	2 000	.01½	.01	.01	.01
1	.02	.00½	Atlas	....	.00½	....	....	....
1	.07	.05½	Bagamac	....	.06½	....	....	....
1	.02½	.01	Baldwin	2,000	.01	.01	.01	.01
1	.19	.08	Barry Holl.	57 300	.10½	.13	.10½	.11
No	1.45	.75	Base Metals	500	1.00	1.01	1.01	1.01
No	.04	.00½	Bathurst	95,000	.02	.03½	.02½	.03
5	1.75	.60	B'Wana	....	.75	....	....	....
1	.28	.26	Ben Nevis	....	.27	....	....	....
No	.09½	.03½	Bidgood	743,650	.07	.08½	.06½	.06½
1	.50	.18	Big Missouri	10,925	.25	.25	.23	.24
1	.05½	.04½	Blue Quartz	....	.04½	....	....	....
1	.12	.02	Bobjo	71,300	.03	.06	.03½	.04½
No	.01	.00½	Boischatel	....	.00½	....	....	....
1	.08	.01½	Brett Trethewey	500	.01½	.02	.02	.02
1	.03	.03	Brit. Canadian	....	.03	....	....	....
No	.12	.02½	Brownlee	227,500	.03½	.05	.03½	.04
1	.02	.00½	Buckingham	1,000	.00½	.00½	.00½	.00½
1	.08½	.02	Bunker Hill	26,200	.03	.03½	.02½	.02½
No	.03	.01	Cal. Flin Flon	....	.01	....	....	....
1	.02	.01	Cambro Kirk	....	.01½	....	....	....
No	.05½	.02½	Canam Metals	....	.03	....	....	....
1	.06½	.01½	Can. Kirk	39,000	.03	.02½	.02½	.02½
1	.02	.02	Can. Lorraine	....	.02	....	....	....
1	.32½	.12	Canusa	3,000	.13	.17½	.17	.17½
1	.04½	.00½	Capital R.	1,500	.00½	.01	.01	.01
1	.26½	.15	Castle Tre.	2,500	.15½	.15½	.15	.15½
1	.23	.03	Cen. Manitoba	9,000	.11	.12	.09½	.09½
1	.17	.07½	Can. Patricia	1,500	.10	.10	.09½	.10
1	.03	.01½	Champion R.	14,000	.02	.03	.02½	.03
No	.59	.02	Chib. Pros.	15,000	.10	.16	.09	.10
No	.08	.02	Clericy	38,500	.02½	.02½	.02	.02
5	10.50	2.50	Coast Copper	50	3.00	3.25	3.25	3.25
1	.05½	.01½	Cobalt Con.	4,000	.01½	.02½	.01½	.02
1	.02	.00½	Col. Kirkland	....	.01½	....	....	....
1	.39	.05	Columario	26,100	.12½	.14	.12	.12½
5	1.50	.50	Coniagas	1,800	1.45	1.35	1.30	1.30
5	.62	.25	Coniaurum	7,873	.35	.40	.35	.40
25	188.25	71.25	Cons. Smelters	355	96.00	96.00	94.00	95.50
1	.01	.00½	Corona	1,000	.00½	.01	.01	.01
1	.02½	.00½	Crown Res.	....	.01	....	....	....
.	.29½	.26½	Crudome	....	.28½	....	....	....
No	.21	.03	Dom. Explor.	394,009	.13½	.21	.13½	.14
1	.03	.00½	Dom. Kirk.	1,000	.00½	.00½	.00½	.00½
No	13.40	9.00	Dome Mines	4,325	11.85	12.05	11.40	11.55
1	.01½	.00½	Don Rouyn	....	.01	....	....	....
No	.33	.30	Don. Woolsey	....	.30	....	....	....
1	.01	.00½	Dunkin	....	.00½	....	....	....
1	.02	.00½	Duprat	....	.02	....	....	....
1	1.68	.20	Eldorado	225,565	1.36	1.68	1.33	1.45
No	1.70	.75	Falconbridge	125	1.00	1.06	1.06	1.06
1	.08½	.02	Federal	14,000	.04½	.05½	.04½	.05½
No	.01½	.00½	Flintoba	7,000	.00½	.00½	.00½	.00½
No	.30	.07	Gem Lake	15,300	.08	.08½	.08	.08
No	.04½	.02½	Gilbec	....	.04	....	....	....
1	.08	.02½	Goldale	900	.03½	.03½	.03½	.03½
10	.25	.15	Goldfield	100	.18½	.15	.15	.15
1	.01½	.00½	Gold Hill	22,000	.00½	.00½	.00½	.00½
1	.11	.02½	Goodfish	2,000	.03½	.04	.03½	.03½
1	.04	.00½	Graham	....	.01	....	....	....
No	2.30	1.25	Granada	3,220	1.35	1.38	1.31	1.31
1	.12	.06	Grozelle	44,795	.11½	.12	.12	.12
.	.30	.28	Helliwell	....	.28	....	....	....
1	.03	.01	Harker	3,000	.02	.02	.01	.01
.	.39	.31	Harvey	400	.31	.39	.38	.39
1	.08½	.07½	Hayden	....	.08	....	....	....
1	.05	.00½	Hilltop	35,000	.01½	.02	.01½	.01½
5	8.70	5.70	Hollinger	1,765	6.00	6.30	5.95	6.30
1	.40	.20	Howey Gold	30,170	.34	.40	.33½	.36½
No	6.30	3.25	Hudson Bay	1,140	3.80	4.00	3.80	3.80
No	.40	.30	Huronian	260	.31	.35	.31	.35
No	20.50	9.50	Int. Nickel	17,217	13.50	13.50	12.75	13.00
1	.03	.00½	Jackson M.	3,500	.00½	.01	.01	.01
1	.34	.23	Keeley	1,000	.23	.25	.25	.25
1	.04½	.00½	Keora Mines	3,000	.01	.01	.01	.01
1	.65	.27½	Kirk. Hud. Bay	5,400	.60	.60	.55	.55
1	.03	.01	Kirk. Hunton	2,500	.01	.01½	.01	.01½
1	.93	.54	Kirk. Lake	37,600	.60	.71	.60	.67
1	.08	.01	Kirk. Premier	5,000	.03	.03½	.03½	.03½
1	.17	.05½	Kirk. Townsite	36,500	.11	.17	.12	.17
20c	.02½	.00½	Koot. Flor	9,500	.01	.01	.00½	.00½
1	.02	.00½	La Rose	....	.01½	....	....	....
.	.69	.38	Lakeland	1,400	.47½	.47½	.47½	.47½
1	28.50	23.50	Lake Shore	4,755	27.50	28.15	27.25	27.50
1	.02	.00½	Laval	....	.00½	....	....	....
1	.04	.01½	Lebel Oro	3,000	.02	.04	.02	.02½
No	.35	.35	Locarno	....	.35	....	....	....
1	.55	.10	Macassa	239,312	.38	.54	.38	.49½
1	.12	.02	Malartic	2,000	.04	.05	.04½	.05
No	.15	.06	Mandy	2,100	.06	.07	.07	.07
No	.06	.01½	Man. Basin	30,300	.02	.02½	.01½	.01½
1	.55	.20	McKinley	875	.30	.40	.40	.40
5	26.50	20.00	McIntyre	1,334	21.00	21.75	21.10	21.25
No	.33	.08	McLeod River	50,900	.18½	.18	.15	.16½
1	.04	.04	McVittie	....	.04	....	....	....
1	.29	.06	MacMillan	....	.06	....	....	....
1	.01½	.00½	Millcrest	....	.01	....	....	....
5	2.84	1.46	Mining Corp.	1 600	1.85	1.85	1.75	1.75
1	.25	.01	Moffatt Hall	439,655	.21	.25	.19½	.20½
1	.04	.02½	Moneta	....	.04	....	....	....
1	.00½	.00½	Mtl. Rouyn	....	.00½	....	....	....
1	.63	.20	Moss	208,250	.28½	.36	.25	.36
1	.09	.01	Murphy	72,000	.03	.04	.03	.03½
1	.07½	.02	Newbec	2,100	.03½	.03½	.03½	.03½
1	.40	.25	Nevada	....	.25	....	....	....
1	.09	.02	Night Hawk	....	.03	....	....	....
5	1.90	.80	Nipissing	11,805	.95	1.50	.95	1.50
No	29.65	14.00	Noranda	9,129	19.50	19.75	18.40	18.50
1	.50	.25	Nor. Canada	9,200	.29	.34	.29	.32
No	.03	.00½	Old Colony	....	.00½	....	....	....
1	.01	.00½	Ophir	....	.00½	....	....	....
1	.10½	.02½	Oriole	....	.03	....	....	....
1	.21	.07	Osisko	5,500	.09	.09	.09	.09
1	.25	.23	Parkhill	....	.23	....	....	....
1	.15	.14	Patricia Dent	....	.14½	....	....	....
1	.04	.01½	Pawnee Kirk	2,500	.01½	.02½	.02½	.02½
No	1.61	.60	Pend Ore	100	.75	.75	.75	.75
1	.04½	.01	Pete. Cobalt	5,500	.01½	.01½	.01	.01½
.	.50	.10	Phy. Molybd.	500	.10	.18	.18	.18
1	.01½	.00½	Picard	....	.00½	....	....	....
1	.12	.07	Pioneer	100	.08	.09	.09	.09
1	.02½	.00½	Porc. Crown	....	.00½	....	....	....
1	.02	.00½	Potter Doal	500	.00½	.00½	.00½	.00½
1	.45	.30	Powell Ryn	500	.36	.30	.30	.30
1	.99	.55	Prem. Gold	5,600	.58	.60	.55	.55
1	.02½	.00½	Preston E. Dome	....	.00½	....	....	....
1	.25	.07	Quemont	200	.10	.07	.07	.07
1	.06	.00½	Ribago	479,800	.03½	.06	.04	.05
1	.34	.24	Rich. Rock	....	.33	....	....	....
1	.15	.02	Ritchie	94,300	.03½	.04½	.03½	.03½
1	.04	.01	R. Montbray	....	.01	....	....	....
1	.05	.04	Rubec	....	.04	....	....	....
No	.25	.10	San Antonio	13,820	.16½	.19	.15½	.16
1	.21	.10	Seven Troughs	....	.10	....	....	....
1	1.25	.49	Sherritt G.	4,460	.56	.61	.56	.59
1	.57	.36	Siscoe	94,625	.55	.57	.54	.56½
1	.18	.02	So. Keora	3,200	.03	.04	.03½	.04
No	.05	.01½	Stadacona	226,600	.01½	.03	.01½	.03
1	.30	.03½	St. Anthony	2,500	.09	.09	.08	.09
No	.82	.35	Sud. Basin	650	.40	.50	.42	.42
1	.03	.01	Sud. Contact	2,000	.01½	.01½	.01½	.01½
1	.03½	.00½	Sudbury M.	6,000	.00½	.00½	.00½	.00½
No	.04½	.01	Sudbury N.	....	.03	....	....	....
1	.19	.09	Sullivan	4,500	.12	.12	.11½	.12
1	1.14	.48	Sylvanite	62,950	.77	.81	.75	.77½
1	.20½	.04	Tashota	24,600	.08	.15	.08	.14
1	8.65	6.00	Teck Hughes	9,795	6.35	6.45	6.25	6.30
1	.10½	.01	Telluride	....	.01½	....	....	....
1	.01½	.01½	Temiskaming	....	.01½	....	....	....
1	.06½	.02½	Thom. Cad'e	....	.02½	....	....	....
1	.02½	.00½	Tough Oakes	....	.01	....	....	....
1	.63	.17	Towagmac	....	.30	....	....	....
No	2.65	1.00	Treadwell	200	1.25	1.25	1.25	1.25
No	2.85	2.40	Tri-Metals	....	2.85	....	....	....
.	.15	.04	United Kirk	6,700	.05	.09½	.05	.09½
.	.03	.01	Vacuum Gas	100	.02½	.02	.02½	.02
No	.86	.35½	Ventures	138,825	.51	.76	.52	.60
1	.15	.01½	Vickers	....	.07	....	....	....
1	1.22	.67	Vipond	23,800	.70	.73½	.68	.70
No	2.00	.90	Waite Ack.	400	1.10	1.05	1.00	1.00
1	.02½	.01	West Tree	3,000	.01	.01	.01	.01
1	.27	.05	White Lake	1,000	.07	.07	.07	.07
1	.06	.02	Wiltsey	....	.02	....	....	....
No	.01½	.00½	Windfall R.	....	.01	....	....	....
.	.13	.03½	Wood Kirk	3,800	.05	.08	.05	.05
No	3.18	1.85	Wright-Har.	21,985	2.95	3.00	2.91	2.95
			WESTERN OIL STOCKS					
1	.30	.13½	Acme	18,300	.16½	.19	.16	.17
No	.50	.50	Advance	....	.50	....	....	....
1	.37½	.05	Alta. Pac.	3,300	.08	.08	.05	.05
1	.08	.07	Amalgamated	....	.08	....	....	....
No	.25	.05	Associated	....	.06	....	....	....
1	1.89	1.10	Ajax	14,350	1.20	1.31	1.20	1.28
No	.12	.02	Baltac	500	.03	.02	.02	.02
1	.07	.02	Black Dia.	....	.02	....	....	....
1	.36	.05	Brit. Dom.	50	.05	.05	.05	.05
1	.32	.04½	Calmont	500	.05	.05	.04½	.05
No	.82	.23	Calgary & Ed.	1,075	.23	.24	.23	.23
1	.47	.08	Comm. Pete.	400	.10	.10	.08	.08
No	.60	.15	Dalhousie	263	.16	.16	.15	.15
No	.08	.01½	Devenish	....	.01½	....	....	....
No	.12	.01½	Dome Oil	....	.01½	....	....	....
No	.69	.08½	E. Crest	2,705	.10	.10½	.08½	.09
1	.05	.00½	Fabyan Pete.	16,500	.01	.01	.00½	.00½
No	.60	.14	Foothills	200	.25	.15	.14	.15
No	.18½	.02	Freehold	500	.03½	.02	.02	.02
1	.02	.01	Great West	....	.02	....	....	....
No	.17	.03	Hargal	....	.04	....	....	....
No	.10	.03½	Herron Pete.	....	.03½	....	....	....
No	.07½	.02	High Sarcee	5,400	.03	.02½	.02	.02½
No	2.00	.40	Home	1,675	.45	.48	.40	.40
No	.22	.02½	Homestead	....	.02½	....	....	....
1	1.70	.59½	Homest'd O. & G.	4,600	.87	.86	.83	.85
1	.08½	.00½	Ill. Alta.	10,200	.00½	.00½	.00½	.00½
No	.70	.10½	Lowery	100	.15	.18	.18	.18
1	.05	.00½	Madison	3,130	.00½	.00½	.00½	.00½
1	.85	.20	Mayland	....	.20	....	....	....
No	.11	.02½	McD. S. Ex.	....	.02½	....	....	....
1	.29	.02½	McD. S. N.	1 100	.03	.03	.02½	.02½
1	.72½	.25	McLeod	1,035	.25½	.26	.25	.26
No	.39	.07½	Mercury	4,685	.08½	.10	.08½	.09½
No	.20	.06	Merland	4,000	.08	.07	.07	.07
1	.18	.08	Mid West	....	.10	....	....	....
No	.38	.08	Mill City Pete.	900	.08	.08½	.08	.08
1	.49	.11	Model	11,450	.11	.13	.11½	.11½
1	.18	.02	Monalta	....	.02	....	....	....
1	.31	.07	Moose M.	....	.07	....	....	....
1	.04	.00½	New Federal	....	.00½	....	....	....
No	.56	.15	Nordon	95,850	.22	.24½	.21	.21
No	.11	.02½	Oil Select	47,900	.06½	.07½	.06	.06½
No	.28	.04	Okalta	600	.04½	.04	.04	.04
100	27.00	8.00	Do., Pref.	8	15.00	8.00	8.00	8.00
No	.22	.05	Olga Gas & Oil	29,700	.15	.15	.14	.14½
1	.37½	.20	Petrol	3,000	.20½	.21½	.21	.21½
No	.28	.02	Penn. Pete.	88,600	.03½	.05	.03	.04
No	.25	.05	Ranchmen's	200	.05	.08	.08	.08
1	.05	.01½	Regent	....	.01½	....	....	....
No	.13	.02	Richfield	1,000	.02½	.02	.02	.02
No	17.75	5.50	Royalite	160	6.00	6.00	5.50	6.00
1	.82	.30	Sarnia Oil	272,350	.35	.43	.35	.42
1	.06½	.01	Signal Hill	960	.02½	.02½	.02	.02½
No	.27	.10	So. West Pete.	....	.10	....	....	....
1	.60	.12	Spooner	200	.14½	.14	.12	.14
No	.19	.04½	Sterling Pac.	200	.04½	.05	.05	.05
.	.15	.15	Turner Basin	....	.15	....	....	....
1	.16	.12	Turner Valley	....	.12	....	....	....
No	.31	.07½	United	590	.08	.08	.07½	.08
1	.15½	.08	Vulcan	105	.09	.08	.08	.08
No	.05	.00½	Wainwell	7,000	.01	.01	.00½	.01
1	.28	.08	Wa-te Valley	....	.08½	....	....	....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to August 20)					
25c	.01	.00½	Bayview	....	.00½	....	....	....
25c	.07	.01	Beaver Silver	1,350	.04½	.04	.04	.04
25c	.02½	.00½	Bluebird	....	.01½	....	....	....
25c	.70	.40	B. C. Silver	....	.40	....	....	....
25c	.02	.00½	Cork Province	....	.01	....	....	....
1	.20	.10	Cotton Belt	2,310	.17	.17	.10	.10
1	.04	.02	Dunwell	....	.02	....	....	....
1	.10	.04	Duthie	....	.04	....	....	....
1	.90	.40	George Copper	....	.43	....	....	....
50c	.05	.01	Geo. Enterprise	....	.01	....	....	....
1	.05	.01½	Georgia River	....	.02½	....	....	....
50c	.02½	.02½	Glacier	....	.02½	....	....	....
10c	.01	.01	Gladstone	....	.01	....	....	....
1	.45	.18	Golconda	500	.21	.21½	.21½	.21½
50c	.07½	.03	Grandview	1,000	.04	.04	.04	.04
No	27.50	17.50	Howe Sound	....	21.25	....	....	....
1	.17½	.11	Intern. Coal	....	.12	....	....	....
1	.01½	.01	Independence	....	.01	....	....	....
1	.02	.01	Indian Mines	....	.01½	....	....	....
1	.43	.24	Jack Waite	....	.32	....	....	....
25c	.02	.00½	Kootenay King	1,500	.01	.00½	.00½	.00½
25c	.00½	.00½	Lakeview	....	.00½	....	....	....
25c	.02	.00½	L. & L.	....	.02	....	....	....
1	.12½	.06	Lorne Gold	78,375	.08	.10½	.08½	.10½
1	.12	.12	Los Ang. Van.	....	.12	....	....	....
10c	.03½	.01½	Lucky Jim	....	.02	....	....	....
2.50	.01	.00½	Marmot Gold	....	.01	....	....	....
50c	.01	.00½	Marmot Metals	....	.00½	....	....	....
25c	.00½	.00½	Mohawk	2 000	.00½	.00½	.00½	.00½
1	.25	.14	Montana Mines	....	.17	....	....	....
1	.05	.01½	Morton Woosley	....	.01½	....	....	....
50c	.03½	.01	National Silver	....	.01½	....	....	....
50c	.09½	.03	Noble Five	2,100	.04	.04	.03	.03
50c	.12½	.03	Oregon Cop.	....	.03	....	....	....
1	2.70	1.23	Pioneer Gold	3,785	2.48	2.60	2.40	2.50
No	.02	.00½	Premier Border	10,000	.00½	.00½	.00½	.00½
50c	.09	.04	Porter Idaho	4,000	.04½	.05	.05	.05
No	.55	.20	Reeves McD.	....	.27	....	....	....
1	.28	.11	Reno Gold	9,300	.22	.26	.24	.25
1	.04	.02	Rufus Argenta	600	.02	.02	.02	.02
1	.07	.04	Ruth Hope	....	.05	....	....	....
1	.05½	.04	Silverado	....	.05½	....	....	....
25c	.03	.00½	Silver Crest	6,100	.01½	.00½	.00½	.00½
50c	.05	.00½	Snowflake	5,900	.01½	.01	.00½	.01
1	.45	.30	Sunloch	....	.30	....	....	....
50c	.02	.01	Topley Rich	1,300	.01	.02	.01	.02
5	.20	.05	Toric	....	.05	....	....	....
20c	.01	.01	Wellington	....	.01	....	....	....
1	.05	.02	Whitewater	....	.02	....	....	....
No	.03½	.00½	Woodbine	....	.00½	....	....	....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$2.50+a	2.61	Premier	12c	21.81
Dome Mines	$1	8.67	Pioneer, B.C.	12c.	....
Granby	$1	....	Royalite	50c.	....
Hollinger	65c.+5	11.11	Spooner Oils	6c.	....
Howe Sound	$2	....	Sylvanite	4c.	....
Inter. Nickel	40c.	3.07	Teck Hughes	60c.	9.52
Lake Shore	$2	7.27	United Oils	5c.	....
McIntyre	$1	4.70	Wellington Oil	5c.	....
Mercury Oil	5c.	....	Wright-Har.	.10+2½c.	4.23
Model Oils	12c.	....			

a. Stock bonus 1 share for each 20 shares held.



you will like
Picobac
the pick of Tobacco
Picobac The pick of Tobacco VERY MILD
½-pound tins 75c
for pipe or cigarette
—also in 15c tins
FREE BOOKLET "HOW TO TAKE CARE OF YOUR PIPE." Write Dept. "A," P.O. Box 1320, Montreal

Established 1889
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Trustee in Bankruptcy Proceedings
Offices: McKinnon Bldg., Toronto

ENVELOPES
MACHINE OR HAND MADE
PRINTED OR PLAIN
TORONTO ENVELOPE CO., LTD.
366 ADELAIDE ST. WEST
TORONTO 2

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG WINDSOR

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

PIPE & ALLEN
QUALIFIED ACTUARIES
Specializing in Pension Fund organization and valuation, statistical analysis and Hollerith tabulation for casualty, fire and life insurance companies.
METROPOLITAN BUILDING - TORONTO

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
CLARKSON, McDONALD, CURRIE & COMPANY
TORONTO OTTAWA WINDSOR
MONTREAL QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

ADMINISTRATION & TRUST COMPANY
(Société d'Administration et de Fiducie)
(Established in 1902)
Executors Administrators Trustees
HEAD OFFICE - MONTREAL
5 St. James St. East - Credit Foncier Building
Branches:
Quebec Winnipeg Regina Edmonton Vancouver
HON. SIR H. LAPORTE, Pres. J. THEO. LECLERC, Gen. Manager

Atlantic Sugar Refineries
LIMITED
General Offices
485 McGILL STREET
MONTREAL
Refineries - Saint John, N. B.

INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

FREDERICK G. TODD
LANDSCAPE ARCHITECT
920 Castle Bldg., MONTREAL
MArquette 9617

DOMINION TEXTILE CO., LIMITED
PRUE COTTONS
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES
MONTREAL TORONTO WINNIPEG VANCOUVER

Insurance for Buyer and Seller

MANY PROBLEMS FOR POLICYHOLDER IN POLICY LOANS

Cashing in of Policy When Loan is Outstanding, Unsound

LOAN TOTAL RISES

Figures at End of 1930 Stand at $229,000,000—Many Carrying First Loan Are Perplexed

Following in the train of the stock market debacle 21 months ago has come rapid and extensive increases in borrowings from life insurance companies by the general public on its policies. The total of $229,000,000 outstanding in loans by dominion licensed life insurance companies in Canada as at December 31, 1931 showed an increase during that year of 33½ million dollars, and compares with a total of approximately $173,000,000 outstanding at December 31, 1928.

These figures indicate that the number of people who have found it necessary to raise some ready money and have taken advantage of the loan feature in their life insurance contracts has increased by leaps and bounds, so that the subject of the policy loan and the problems arising therefrom today have a wider interest than ever before.

Should Loan Be Repaid

Thousands of these borrowers, the majority of whom are probably taking out a loan against their policies for the first time, are immediately faced with the problem of paying off the loan and the insistence of the insurance company upon the desirability of reinstating the policy at its full face value at the earliest moment possible gives rise in hundreds of cases to doubts as to whether this is really the best policy and as to whether such a loan against a policy is unsound.

In its aspect as a loan, pure and simple, the transaction, from the insurance company's point of view is unquestionably a good one. The security is sound and the interest satisfactory and generally safeguarded. One of the best reasons, perhaps, that might be put forward on behalf of the company in regard to its desire to see the loan repaid within as short a period as possible, however, is that their business is that of life insurance and not of a loan company. This is a most reasonable argument, notwithstanding the fact that some insurance salesmen may have used the loan privilege as a supplementary selling point, and quite legitimately, though the practice is not encouraged. In the case of business insurance, however, the provision for ready liquidation is generally an important factor.

Insured's Viewpoint

From the insured's point of view, no general statement can be made as to whether and how far the loan outstanding against his policy is detrimental or not. This depends very largely upon the particular conditions of each individual case, the size of the loan in proportion to the reserve value, the type, age, and terms of the policy, and several other vital considerations.

A question that will present itself to many a policyholder-borrower at some time or other, more especially in cases where a loan has been outstanding for some time, is whether it is more profitable to him to continue to pay the premium plus the interest on the loan to maintain a policy with a charge against its face value, or to surrender the policy and take out a new one having the full face value and start again with a clean sheet.

Bearing in mind what has already been said, that practically each case depends upon the circumstances surrounding it, it can be stated, generally, that this notion is misconceived. The first mistake lies in regarding the interest payable on the loan as complementary to the premium, and treating the sum of the two as being the cost of maintaining the insurance coverage. Occasionally it has been discovered by a policyholder in such a case that the annual payment required of him in this way is actually in excess of what a new policy would require by way of premium, at his present age, which will hold him fully covered.

Loan Confused With Policy

The fallacy of this lies in confusing the loan with his policy. This will become clear if one separates the two transactions, and imagines for a moment that the loan was raised in some other way. Had one gone to a bank for it and was paying his interest duly to that institution he would probably never associate the annual interest payable on the loan with the premium of his life insurance policy. It would then be clear to him that to surrender his policy could only entail loss, and that no advantage could be gained by doing so in order to take out new insurance, unless it be to effect some change in plan or for other considerations irrelevant to this subject. It is also obvious that if the policy is a participating one, in addition to paying a higher premium for a new policy giving the same protection a policyholder will be foregoing the dividend advantage that accrues to his older-established present policy by surrendering for a new policy.

In a Nut-Shell

The matter boils down to this. Any loan, whether it be made by an insurance company, a bank, or any other source, is a charge against the individual's estate in the end. It can only be considered therefore as an entirely separate transaction. So, only in the rarest instances can it be economically sound to surrender a policy because of a loan against it. And anyone who is in doubt in regard to his own case is recommended to consult his insurance company and have his special situation actuarially analyzed.

Lapses Should be Avoided

One thing is certain, and that is that the insurance company stands to lose nothing financially, one way or the other. What it is concerned with is that a life insurance policy, having been taken out presumably, after due reflection on the insured's part, shall not be allowed to lapse because of a general notion that a loan has detracted from its value. And as it is human nature that under such circumstances the policyholder's interest in his policy will wane, the insurance company's desire is to see the burden of the loan lifted from the back of their insurance contract.

Wheat Exports Are Higher

Canada's exports of wheat for the crop year ended July 31 are given by the Dominion Bureau of Statistics at 228,480,403 bushels as against 155,766,106 bushels in the previous twelve months. The values were respectively $160,856,559 and $188,289,135. Flour exports for the crop year totalled 6,701,663 barrels as compared with 6,778,023 for the preceding year.

Ordinary Life Insurance*

	1926	1927	1928	1929	1930	1931
January ..	$33,907,000	$36,986,000	$47,569,000	$49,789,000	$45,074,000	$41,188,000
February .	34,744,000	35,525,000	39,962,000	47,140,000	43,925,000	40,180,000
March ...	40,483,000	42,883,000	44,823,000	48,066,000	49,047,000	46,945,000
April	37,346,600	41,631,000	46,718,000	51,842,000	51,649,000	45,648,000
May	37,703,000	44,553,000	49,581,000	50,547,000	48,871,000	41,314,000
June	44,634,000	45,298,000	51,844,000	53,402,000	54,168,000	46,227,000
July	40,101,000	39,362,000	49,492,000	54,809,000	46,505,000	39,977,000
August ...	36,010,000	38,360,000	43,503,000	41,329,000	36,249,000	
Sept.	34,878,000	35,000,000	38,872,000	43,013,000	38,994,000	
October ..	40,226,000	48,104,000	55,743,000	50,894,000	44,527,000	
Nov.	44,251,000	44,935,000	54,865,000	55,624,000	46,186,000	
Dec.	46,777,000	48,899,000	56,647,000	54,189,000	49,026,000	
Total, First Seven Months, 1931						$301,479,000
Total, First Seven Months, 1930						$339,239,000
Decrease, First Seven Months, 1931 (11.13%)						$ 37,760,000
Decrease, July, 1931, from July, 1930						14.04%

*Companies having in force 84 per cent of total outstanding business in Canada as at Jan. 1, 1930. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

PROVINCIAL HEAD PAY INSURANCE HIGH TRIBUTE

B.C. Superintendent Comments on Stability and Resources

High tribute to the soundness of the institution of insurance is paid in the 1930 annual report of H. G. Garrett, the Superintendent of Insurance for British Columbia received this week. Comment is also made on the fact that the stream of new companies into the insurance field (particularly fire and automobile insurance) continues unabated, despite increases in losses and expenses and a decrease in premium income. In spite of all this the stability and resources of Canadian companies remains unaffected, says Mr. Garrett, but he looks for reorganization and retrenchment in many cases with retirement of some of the new companies for the time being at least.

Mr. Garrett says in part:

"The period of depression has affected fire insurance companies in particular, as that class of insurance closely reflects general business conditions. Increases in losses and expenses, decreases in premium income and other revenue have tested their stability and resources. The same is true to some extent of casualty insurance, while the marine business has also suffered from the great reduction in the volume of commerce. The absence of failures is evidence of the general soundness of insurance companies, but there will doubtless be reorganization and retrenchment. Some of the newer companies will probably retire from active business, at least for a time. It may also be expected that the unwisdom of unhealthy competition in rates and commissions, which was a sequel of so many flotations, will be realized and discontinued. These remarks are applicable in a general sense to insurance conditions in North America and not specially to the province.

Life Insurance Increases

"Life insurance again records an increase. At first sight this is perhaps surprising. During hard times it might be thought that people have not the cash available. The explanation is perhaps that the public suffered so severely in the stock market that it is a case of once bitten twice shy. It is more fully realized that life insurance is not only one of the safest forms of investment, but also a resource in time of need. The latter feature was demonstrated by the tremendous sums loaned on policies when the stock market crashed.

"'Group' life insurance—that is, insurance of employees as such—participates in the increase, the figures for 1928, 1929, and 1930 being $233,000, $275,000, and $334,000. It has, however, been remarked that this form of insurance has been put on its trial by the very severe unemployment. A weakness of the scheme is that, generally, loss of the particular employment automatically terminates the insurance, and, although the employee has contributed as is usually the case, he has nothing to show for what he has paid. It will be interesting to observe whether the growth of group insurance will be checked by the present experience; possibly, some means of overcoming the disadvantages will be evolved.

"The amount of life insurance taken in British Columbia compares well with the figures in other Provinces of about the same population. The premiums for new insurance for 1929 were (in round figures): In British Columbia, $13,500,000; in Alberta, $12,300,000; in Saskatchewan, $13,500,000; and in Manitoba, $13,000,000."

Many Changes Noted

As to changes that took place in the line up of companies operating in the province, Mr. Garrett reports seventeen new companies licensed during the year making a total of 287 licensed to transact business in the province. All the newcomers except one, namely Provident Life & Accident Assurance Co., hold federal licenses. Of the total, 42 companies are licensed for life insurance, 204 for fire insurance and 156 for automobile and 56 for marine, many individual companies being of course licensed for more than one class of business.

Withdrawals during 1930 and 1931 and the reasons given in each case are as follows:

"The Royal Plate Glass & General Insurance Company, Limited, a British Columbia company, has not renewed its license for the year 1931, as it is not at the present time transacting any business.

"The Ohio Farmers Insurance Company obtained a Dominion license and its deposit under the 'Insurance Act' of this province was released.

"The Indemnity Mutual Marine Insurance Company, which was only licensed in 1929, and the Wawanesa Mutual Insurance Company, the Manitoba company which has been succeeded by a Dominion company of the same name, withdrew from the province.

"Since the beginning of the year several companies have withdrawn from the province, namely:

"The American Equitable Company of New York, a new corporation of the same name, formed by consolidation of that company and the Guardian Fire Assurance Corporation of New York, has been licensed in this province.

"The Fidelity American Insurance Company, which has reinsured its outstanding contracts with the Mill Owners Mutual Fire Insurance Company.

"The Laurentian Insurance Company, whose business has been reinsured by the British Colonial Fire Insurance Company.

"The Merchants and Employers Guarantee and Accident Company, whose business has been taken over by the Consolidated Fire and Casualty Insurance Company, which has received both a Dominion and a Provincial license.

"The Milwaukee Mechanics Insurance Company, of Milwaukee, Wisconsin, has ceased business in the province, but has not yet formally withdrawn.

"The Occidental Indemnity Company, whose business has been reinsured by the Fireman's Fund Indemnity Company.

"During the current year, also, L'Union Compaignie d'Assurances Contre l'incendie has changed its name to L'Union Compagnie d'Assurances Contre l'Incendie Les Accidents et Risques Divers (The Union Fire, Accident and General Insurance Company of Paris, France), and the Union Marine Insurance Company, Limited, to the name Union Marine & General Insurance Company, Limited."

Life Insurance Sales Decline 16 p.c. in July

Current sales of ordinary life insurance as reported by the Life Insurance Sales Research Bureau for July total $39,977,000 as compared with $46,227,000 the previous month and $46,505,000 for the same period last year. This is a decline of 16.4 per cent on the latter comparison and is in line with the usual seasonal let-up which occurs at this time of year when most life underwriters are away on vacation.

For the year to date sales are just over the $300,000,000 mark, which is only a little more than 10 per cent less than in the same period a year ago—a very creditable showing when the current decline in business conditions is taken into consideration.

July sales by provinces are as follows: Alberta, $1,807,000; British Columbia, $2,438,000; Manitoba, $2,701,000; New Brunswick, $948,000; Nova Scotia, $1,352,000; Ontario, $17,739,000; Prince Edward Island, $191,000; Quebec, $10,517,000; Saskatchewan, $1,910,000. Newfoundland sales were $374,000.

NEW BANK PLAN INCREASES CHARGE DRAWING CHEQUES

Current Trend in Banking Practice in U. S. A. Outlined

Although the practice of charging uniform interest rates and giving a standard rate of 3 per cent to savings depositors irrespective of good or bad times, is well-known in Canada, the recent reduction in the rate of interest on deposits in demand accounts, from 2½ to 2 per cent, has drawn attention to the fact that even Canadian bank practice is subject to change in times of continued business depression.

Accordingly the following check-up by Business Week of New York as to what is going on in the United States in this regard is of interest to Canadian bankers and their clients.

Pay More For Service

"Many businesses and individuals sooner or later will be forced to pay more for their banking services and will receive less interest on their money in the banks, especially their commercial balances. In return, they will be able to feel greater confidence in the safety of their deposits.

"The trend—now well under way in the Middle West and moving eastward—is the result of stricter cost accounting. The American Bankers' Association is sponsoring it. A slight variation of the idea is being considered for Detroit.

"'Measured banking charges,' is the term applied to the method to increase service costs. It is the successor to the requirement of a minimum monthly balance or a flat monthly charge for a checking account. Under the new plan a minimum balance or a flat fee is required—for a given number of cheques per month Cheques in excess of the permitted number automatically raise the minimum balance requirement or are charged for extra at a rate determined by bank cost accounting, frequently 4c.

Lower Interest Urged

"Lower interest payments on all types of bank balances are urged as another step toward sounder banking. Too often interest payments are determined by tradition or competition rather than on an accounting basis. The result has been to encourage investments carrying a high yield rather than safety.

"These two steps toward safe and more profitable banking are throwing an added burden on the savings banks or departments. Especially the extra cost of checking accounts is causing a transfer to savings accounts by individuals. Cash is then withdrawn periodically to meet living expenses. Some officials wonder if some charge may not ultimately be imposed upon unusually active savings deposits.

"Another result is a tendency to increase the amount of cash in circulation. This occurs when the small account is closed out or even if it is transferred to savings. While this factor is not believed to have greatly increased the use of cash, it is significant. Cash requires by law a banking reserve of about 40 per cent while deposit requirements are much less."

London's Oldest Private Bank

The oldest private bank in London is Hoare's, which recently celebrated its 300th anniversary. One of the early depositors was the famous Samuel Pepys, and the ledgers of the bank show that in 1680 he deposited £200, but later overdrew his account by £13 and it was never balanced.

Arrange Potato Shipments

It is announced by the Saint John Harbor Commission that temporary facilities for the shipment of early potatoes have been arranged on the east side of the harbor pending reconstruction of the facilities of West Saint John.

Current Events in the Banking World

MONTREAL CITY UPTOWN BRANCH NEARLY FINISHED

St. Catherine St. Office to be Opened Oct. 1

From Our Own Correspondent

MONTREAL. — While actual work on the exterior of the new McGill College-St. Catherine St. branch of the Montreal City and District Savings Bank has been completed, it will not be until October 1 that the interior is finished and the branch is thrown open to the public.

The unit, constructed at a cost of around $300,000, marks the major structure in a $425,000 building programme of the bank for the present fiscal year. Another branch is presently under construction at the corner of St. Denis and Rachael Streets. While plans for a building in Verdum have also been approved.

Of Corinthian Design

The new uptown branch of the Montreal City and District embodies modern features conforming to Corinthian design. The facing is of Queenston limestone with structural steel supports; the appearance of the building from the exterior is pleasing.

The interior of the ground floor is featured by a 25 foot ceiling. Extra large window frames will allow a maximum of daylight on the premises, while especial care has been taken in the selection of electric fixtures.

Construct Another Branch

The branch at St. Denis and Rachael Streets, will cost $75,000 and preliminary construction is well advanced. Another $50,000 will be spent by the bank on its building corner at Wellington St. and Galt Ave., Verdun. It is reported that plans have already been approved for a two-story building, with completion of the work scheduled for the end of the current year.

Formed in 1846, the Montreal City and District has gradually expanded until its branches in Montreal now total 22. Profits of the bank in 1930 were maintained, amounting to $363,022 as compared with $369,536 in the previous year. In addition to paying the regular dividend, a bonus of 2 per cent was declared to shareholders last year, bringing the total disbursement up to 14 per cent.

Trust & Loan Deposits Outstrip Current Gain in Bank Savings Accounts

Comparison of current figures of savings deposits in Canadian chartered banks with those in leading Canadian trust and loan companies shows that the flow of such deposits is increasing at a far greater rate to trust and loan companies than to the banks.

Analysis reveals that, while the amount of deposits at trust and loan companies is, in the aggregate, considerably less than those with the banks, the increase in the twelve months ended June 30, 1931, was at the rate of about 12¼ per cent, while the increase in bank deposits is under 3 per cent. In the last 6 months the increases were 5.35 per cent and 1.72 per cent respectively.

For the purposes of this analysis the statement of the ten chartered banks of Canada has been used in comparison with the returns of the 31 trust and loan companies registered in Ontario. This classification has been selected in preference to Dominion licensed institutions so that some of the leading concerns, which are not licensed at Ottawa, but which have built up a substantial savings business, may be included, and also because Ontario figures are now available showing deposits of licensed companies as at June 30.

Banks Have Huge Total

It is found that at June 30, 1930, total savings deposits in chartered banks amounted to $1,410,297,492 and that these expanded, fairly regularly each quarter, to $1,450,356,954 at June 30, 1931, this representing a rate of increase of 2.84 per cent. Deposits in the 31 trust and loan companies licensed in Ontario as at June 30, 1930, aggregated $69,151,339, increasing in the ensuing twelve months to $77,643,752, or at the rate of 12.28 per cent in the year.

Taking the comparison back somewhat farther, the present bank figure shows an increase of but 1.11 per cent over the figure as at December 31, 1929 while, in comparison with the end of 1928, the year when bank deposits reached the peak of $1,520,285,026 a recession of 4.6 per cent is noted. Trust and loan companies showed an increase of 16.62 per cent in comparison with the end of 1929 and of 18.84 per cent compared with 1928. It will be seen therefore that while the banks took a big drop in their savings deposits in 1929 and are recovering at a very slow rate, the trust and loan companies have made steady and appreciable increases in their savings departments.

While this analysis does not embrace all the trust and loan companies in the Dominion the thirty-one referred to above do include the majority of the large companies in Canada. As far as savings deposits are concerned inclusion of those licensed only at Ottawa or in other provinces would not alter the figures quoted materially, and the share in the actual total gain in savings-deposits in Canada during the year ended June 30, 1931 would still be approximately the same as between chartered banks and trust and loan companies, or about $40,000,000 and $8,500,000 respectively.

SAVINGS DEPOSITS AT CHARTERED BANKS

	At June 30, 1931 $	At Mar. 31, 1931 $	At Dec. 31, 1930 $	At June 30, 1930 $
Bank of Montreal	396,875,457	394,771,832	388,262,607	381,761,829
Can. Bank of Commerce	297,198,057	294,110,236	290,191,715	286,983,007
Royal Bank of Canada	295,696,691	293,919,306	289,849,868	163,281,903
Bank of Nova Scotia	130,935,417	130,750,917	129,470,210	125,723,038
Banque Canadienne Nationale	88,206,786	89,129,033	88,209,041	89,457,081
Imperial Bank	71,634,748	70,369,465	70,080,314	69,389,725
Dominion Bank	67,410,725	67,565,992	67,389,729	64,966,284
Bank of Toronto	65,827,760	66,299,058	65,294,375	63,782,883
Banque Provinciale	35,864,601	36,374,091	34,818,639	35,673,164
Barclays Bank (Canada)	706,712	636,574	732,980	490,131
Totals	1,450,356,954	1,445,322,862	1,425,845,166	1,410,297,492

SAVINGS DEPOSITS AT TRUST AND LOAN COMPANIES
(Ten Ontario licensed companies with largest present savings deposits accounts)

	At June 30, 1931 $	At Mar. 31, 1931 $	At Dec. 31, 1930 $	At June 30, 1930 $
Can. Permanent	16,558,615	15,117,662	14,750,285	13,719,505
National Trust	14,831,065	13,944,893	13,678,145	12,319,423
Huron & Erie Mtge.	10,562,893	10,999,477	10,865,869	10,402,420
Toronto Gen. Trusts	5,507,228	5,096,000	4,132,451	2,861,573
Cent. Can. Loan & Sav.	5,099,613	5,260,364	5,395,549	4,651,185
Waterloo Trust & Savings	4,518,941	4,417,073	4,221,879	4,459,499
Brit. Mtge. & Trust Corp.	2,131,433	2,038,516	1,977,998	2,049,942
Capital Trust Co.	1,848,105	2,011,926	2,027,582	1,875,060
Victoria Trust Co.	1,675,992	1,672,829	1,707,179	1,691,593
Tor. Savings & Loan	1,608,420	1,497,629	1,434,256	1,671,445
Total 10 companies	64,342,305	62,056,369	60,191,193	55,701,645
Total 31 companies	77,643,752	75,363,915	73,703,749	69,151,339

Weekly Bank Clearings

	Aug. 21, 1930	Aug. 20, 1931
Halifax	$ 3,260,821	$ 2,534,494
Saint John	2,116,810	2,101,261
Sherbrooke	2,302,358	759,974
Quebec	5,946,520	5,215,433
Ottawa	7,367,819	6,272,589
Montreal	123,016,378	101,486,249
Kingston	974,496	597,224
Peterboro	817,927	795,705
Toronto	109,399,292	87,943,289
Hamilton	5,840,615	4,191,405
Kitchener	1,053,687	811,147
Brantford	927,543	821,709
London	3,601,109	2,814,425
Chatham	554,857	351,431
Windsor	3,244,046	2,381,405
Sarnia	652,451	425,077
Sudbury	1,263,714	701,342
Moncton	989,753	696,391
Fort William	$ 1,036,729	$ 678,594
Winnipeg	38,919,781	35,756,014
Brandon	507,722	394,888
Regina	4,646,283	3,092,030
Moose Jaw	1,029,980	574,223
Saskatoon	2,302,358	1,516,256
Prince Albert	473,960	337,691
Edmonton	6,204,266	5,065,731
Calgary	6,809,818	5,472,487
Medicine Hat	318,753	219,279
Lethbridge	558,730	388,714
Vancouver	18,764,496	13,698,180
New Westminster	708,488	751,536

What Editors Say of Banks

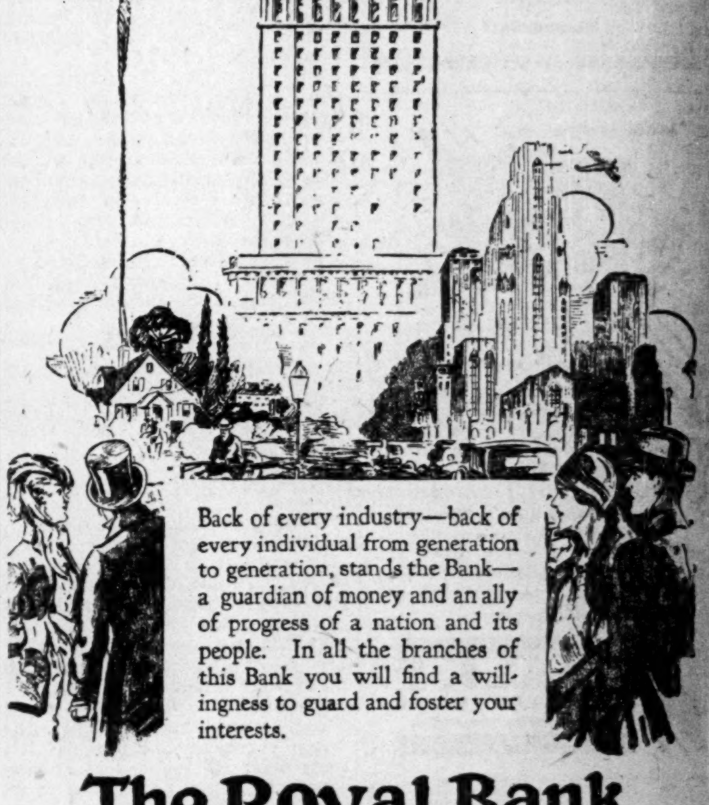
Bennett and Banks

Western Producer.—Nothing in Mr. Bennett's attitude since he became premier of Canada is more revealing than the implicit, even childlike faith which he has in banks and bankers. At a time when many world leaders are nursing an uneasy feeling about the financial hierarchy, when there is a widespread disposition to lay the chief blame for most of the existing economic chaos at the doors of the banks, Mr. Bennett is acclaiming them as the rightful arbiters of industrial policy and flying to them for succor in time of need. When a large industrialist gets into difficulties he usually finds a banker in his private office and nothing would please him as well as to be able to get rid of his uninvited guest, bag and baggage, by any legitimate means. Not so Mr. Bennett. On the contrary, he invites the banker in. Dismissing all other of his own alternatives for the future operation of Beauharnois he chose the proposal to form a new private company. Who was he going to put at the head of it? Oh, he was not going to be bothered with that. That task he was going to delegate to two or three bankers and he made the announcement in a manner which left no doubt that in his view only fools would question the considered policy of the banks. We regret that we cannot share his confidence.

SURPLUS TO POLICYHOLDERS
Over $230,000.00 deposited with the Dominion Superintendent of Insurance.
Agents! Increase your volume by writing our non-assessable policies at lower rates and under reinsurance treaties with Lloyds, of London, Eng.
ASSETS EXCEED $1,500,000.00
Prompt settlements from Branch Offices
FIRE—AUTOMOBILE—PLATE GLASS—BURGLARY—WINDSTORM
Western Canada's Oldest Mutual
The Portage la Prairie Mutual Insurance Company
Organized 1884 Dominion License
Head Office, Portage la Prairie, STRATTON WHITAKER, Manager
ONTARIO Dominion Bank Building, Toronto
BRITISH COLUMBIA Commerce Building, Vancouver

LIFE INSURANCE
CHARTERED TRUST AND EXECUTOR COMPANY believes that the life insurance business in Canada is on the threshold of a phenomenal expansion. What a privilege it is to purchase for your wife and children, by periodical payments, the protection which life insurance affords!
Chartered Trust and Executor Company does not sell life insurance. It is, however, interested in the future welfare of your wife and others daily dependent upon you. Stop and think—would your family suffer if they should be bereft now of your support and maintenance?
CHARTERED TRUST AND EXECUTOR COMPANY
34 King St. West, Toronto 2
132 St. James St. West, Montreal, Que.
President: JAMES Y. MURDOCH, K.C.
Vice-Presidents: W. S. MORDEN, K.C. JOHN J. GIBSON and Gen. Mgr.
Secretary: E. W. McNEILL

Time waits for no man
But it loses its menace when your life is assured. Here are some of the things that life assurance can do for you:
'Make certain a monthly income for your later years.
Continue the comforts of life to which they are accustomed for your wife and children, regardless of when you are taken away.
Guarantee funds for the education of your children, and thus make sure of their future position in life.
Insure that your value to your business may be given cash form when you are no longer with it.
The Sun Life of Canada has a policy to cover every need.
See one of our representatives.
SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

FROM GENERATION TO GENERATION

Back of every industry—back of every individual from generation to generation, stands the Bank—a guardian of money and an ally of progress of a nation and its people. In all the branches of this Bank you will find a willingness to guard and foster your interests.
The Royal Bank of Canada
3126

The GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE -- WINNIPEG
Assets Over $120,000,000 Insurance in force Over $600,000,000

FIRE·MARINE·AUTOMOBILE·ACCIDENT·SICKNESS·BURGLARY·GUARANTEE
WESTERN ASSURANCE COMPANY
ESTABLISHED A.D. 1851

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $200,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario.
Write 410 Manning Chambers, Toronto.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $5,010,673.96
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

PROTECTION
The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost.
This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.
Reserves—$36,827,055.00 Surplus—$2,680,759.27
Independent Order of Foresters
FRANK E. HAND, Supreme Chief Ranger HEAD OFFICE: TORONTO, CAN.

SOLID AS THE CONTINENT
Less than $5.00 a week at age 30 provides an immediate estate of $10,000—liberal annual dividends—and an income for life at age 65. An inquiry will be appreciated.
A Canadian Company
NORTH AMERICAN LIFE
1881-1931
A MUTUAL COMPANY
All Profits Paid To Policyholders

Canadian Mining News

GRANADA DEAL STILL PENDING SAY OFFICIALS

The Production Averages About $25,000 Month Sinking Winze

Additional finances for Granada Gold Mines, pending for the past six months, are still under negotiation.

In the meantime Granada is continuing operations, producing on an average of approximately $25,000 in gold per month, which is paying all operating expenses, meeting capital expenditures, and each month adding to the surplus. The sinking of a winze on the vein from the 625 ft. horizon continues and at the present time is down about 100 ft. Here the vein shows an average width of approximately three feet with assays on a par with those on the 625 ft. horizon, which were around $15 per ton. A raise is being put up from the lower horizons through to the surface in order to provide a duplicate exits and this is partly through lean ore sections, which are bringing the millheads down slightly for the time being, which is reflected in the monthly production.

The ore broken in the mine at the present time is sufficient for about nine months' operations, while the new developments below the 625 ft. level, as far as working has progressed, indicate additional ore sufficient for over one year's mill requirements. Water has been a problem and owing to low lake levels a dam is being constructed to insure an adequate supply. A heavy capital investment, around $20,000, is represented by a two-mile pipe line to the lake. This line is an eight inch line greatly in excess of the immediate requirements, but it will be adequate to take care of future supply when an increased milling program is inaugurated.

NIAGARA AREA ROCK DEPOSITS SOURCE OF WOOL

Survey Shows Possibilities For Mineral Wool Industry

A survey of the limestone resources of Canada now being conducted by the Dominion Department of Mines, Ottawa, has resulted in the discovery of rock deposits in the Niagara Peninsula, between Niagara Falls and Hamilton, but chiefly in the vicinity of Thorold and St. Davids, which may be utilized in the manufacture of rock wool, a substance possessing highly effective insulating properties. Much importance is attached to the discovery, first, because of the industrial possibilities connected with it and second, because hitherto sources of such raw materials were not known to exist in Canada.

Although the work undertaken so far is entirely of an experimental nature, M. F. Goudge, mineral technologist of the department, in charge of the survey, does not anticipate the encountering of any great difficulties by skilled operators in making rock wool on a commercial scale from the raw materials discovered. In a memorandum dealing with the deposits, copies of which may be secured from the Director, Mines Branch, Department of Mines, Mr. Goudge explains that certain requirements of chemical composition necessary for the yield of rock wool fibres can be readily obtained either from a single deposit or by mixing the materials obtainable from two adjacent deposits.

The gradation in composition from top to bottom of the deposits which may be classed as natural wool rock and the proximity of deposits which yield material suitable for mixing afford excellent opportunities to obtain a composition in the furnace best suited to yield a high grade rock wool at the lowest fuel cost. The manufactured product is used in various forms for building insulation and for a number of industrial purposes.

SNOWFLAKE MINING OFFERING WARRANTS

Refinancing by Share Warrants to Shareholders

Shareholders of Snowflake Mining Co., developing a silver-lead-zinc property in the Revelstoke mining division of British Columbia, are urgently requested to register their certificates before August 20. Share warrants are to be issued to shareholders of record on that date in the hope that the necessary funds for development may be raised.

Early this year the authorized capitalization was increased from 2,500,000 shares to 5,000,000 shares of 50 cents par value. In 1928 the company's publicity literature came to the attention of the Mines Department of British Columbia when it issued a special bulletin on the claims made by the company, and said that "no commercial ore of importance had been proven, but the property had possibilities for further exploration."

Trail Smelter Receipts

Following is a statement of ore received at the Trail smelter, for the period August 8 to 14, 1931, inclusive:

	Aug. 8 to 14	1931 to date
Bell, Beaverdell	52	1,233
Butcher Boy, Carmi	—	33
J. A. Carter, Zwicky	—	9
Catherine, Nelson	—	16
High. Lass, Beaverdell	—	101
Knob Hill, Republic	—	549
Little Daisy, Silverton	—	2
Midnight, Rossland	—	65
O'Brien, Cobalt	—	293
Planet, Nicola	—	105
Redmond, Republic	—	38
Ruth, Sandon	—	128
Sally, Beaverdell	—	111
Silversmith, Sandon	—	120
Union, Lynch Creek	31	1,053
Wellington, Beaverdell	—	411
Wilcox, Ymir	—	48
	83	4,309
Total custom ore, week		83
Total company ore, week		10,939
Grand total, week		11,022
Total custom ore, yr. to date		4,309
Total com'y ore, yr. to date		291,295
Grand total, year to date		295,604

New Dome Ore Body On 1,200 ft. Level

An unofficial report from South Porcupine says Dome Mines has encountered what is believed to be an entirely new ore body on the 1,200-ft. level. The width is given as up to 30 feet, assaying $15 per ton in gold.

Meanwhile H. P. DePencier, general manager of the company, is in South Africa, attending the opening of the 2,000-ton daily capacity mill of the East Geduld Mines, in which Dome recently became interested. He also carries a mandate from Dome directors to acquire such investment interests as his judgment dictates. While it is rumored that negotiations are pending for an interest in the property adjacent to East Geduld, no confirmation has been received at Dome's head office.

MINERAL OUTPUT HAS FIVE GAINS IN MAY FIGURES

Gold, Nickel, Zinc, Feldspar and Petroleum All Above May in 1930

Production statistics for May, 1931, relating to Canada's leading mineral products, as compiled by the Dominion Bureau of Statistics, show increases in the output of gold, nickel, zinc, feldspar and petroleum in comparison with the production in May, 1930.

Copper production from Canadian sources amounted to 27,362,106 pounds in May, a 1.74 per cent decline from the April total and 0.44 per cent from the May, 1930, output. During the month under review Ontario produced 12.96 million pounds; Quebec, 5.83 million pounds; British Columbia, 5.41 million pounds; and Manitoba, 3.16 million pounds.

Canadian gold production continued at a high level in May when 215,190 ounces were produced. In April the output was 223,082 ounces while in May of the preceding year, 168,267 ounces were produced. Ontario was the leading producing province with an output of 162,343 ounces, made up of 89,969 ounces from the Kirkland Lake area, 68,316 ounces from the Porcupine area, and 4,058 ounces from other sources. Quebec produced 32,093 ounces; British Columbia, 11,325 ounces; Manitoba, 8,456 ounces, and the Yukon and Nova Scotia the remainder.

Nickel producers reported a production of 10,653,724 pounds in May; in the corresponding month of the previous year, 9,538,891 pounds were produced.

Zinc output during May reached a total of 24,213,078 pounds, an increase of 6.6 per cent over the April production and 21.7 per cent over the May, 1930, total.

Canadian coal mines produced 901,514 tons of coal during May; a decline of 27.7 per cent from the average for the month during the past five years of 1,247,276 tons. May's output was made up of 786,950 tons of bituminous coal, 25,682 tons of sub-bituminous coal, and 88,882 tons of lignite coal.

Crude petroleum output in Canada amounted to 156,392 barrels in May as compared with 106,339 barrels a year ago. During the month under review New Brunswick produced 715 barrels; Ontario, 10,044 barrels, and Alberta, 145,633 barrels. The Alberta output included 137,661 barrels from the Turner Valley field, 6,485 barrels from the Red Coulee field, 1,225 barrels from the Wainwright field, and 262 barrels from the Ribstone field.

Production of Leading Minerals in Canada

	5 mos. end. May 1930	1931
Asbestos, tons	99,658	65,098
Cement, brls.	3,002,179	3,253,054
Clay products $	3,532,429	3,221,698
Coal, tons	5,967,506	4,979,839
Copper, lb.	131,438,630	125,547,212
Feldspar, tons	12,525	4,584
Gold, fine oz.	800,754	1,039,993
Gypsum, tons	202,554	167,806
Lead, lb.	143,312,397	121,745,685
Lime, tons	208,739	154,685
Natural gas. M. cu. ft.	14,624,175	13,417,414
Nickel, lb.	46,528,826	36,340,683
Petroleum, brls.	518,481	805,817
Salt, tons	120,974	66,854
Silver, fine oz.	10,119,154	9,587,869
Zinc, lb.	100,864,827	111,085,672

YANKEE GIRL MINE REVERTS TO OWNER

Part of Holdings Sold to Keep Remaining in Good Order

Yankee Girl Consolidated Mines has sold its Nugget claims under option for $27,000, part payment for which has been made, while its Yankee Girl claims have reverted to the original owner owing to the company's inability to meet payments.

With the funds from the sale of the Nugget claims the company has been able to keep its remaining properties in good standing, but no effort has been made to operate owing to the unsatisfactory position of the metal market.

The present company was incorporated in 1928 and was sponsored by Stobie, Forlong & Co., as a consolidation of a number of groups of claims including the Yankee Girl Mine, Mother Lode, Nugget and the Enterprise. The principal operations, however, were confined to the development of the Yankee Girl Mine, which had been worked off and on since about 1900.

Under the financial sponsorship of Stobie, Forlong & Co., stock was sold to finance operations, in addition about $165,000 was advanced by this firm for which the company is still liable. Upon the assignment of Stobie, Forlong & Co., operations were shut down and there being no funds available the company lost one of its most valuable holdings, the Yankee Girl Mine, owing to the terms of purchase not being lived up to.

The company at the present time is managed by Stobie, Forlong Assets, Ltd., pending an improvement in metal prices, in the hope that the remaining assets will ultimately become of value.

ONTARIO RADIUM TO BE TREATED AT WILBERFORCE

Refining Arrangements With English Company Assure Outlet

Developments at the Wilberforce radium occurrence, in Haliburton county, Ont., is steadily progressing and a concentrating mill is in the process of erection.

Development of the property at the present time is principally carried out through a tunnel or adit driven into the side of the hill, about 60 ft. vertically below the surface showing. This tunnel has progressed about 360 ft. and has been cut into a series of five veins having a total width where cut of about 12 ft. One of these veins, having a width of about 4 ft., is being drifted on and raised on in order to determine the extent of the ore. Officials estimate that, with allowance made for the dip of the vein, there is indicated in this section of the deposit approximately 50,000 tons of radium-bearing ore.

The mill now in the process of erection was formerly used at the molybdenite property, about three miles distant. It is planned to have this mill completed in about 60 days, when it is proposed to start concentrating operations.

The company has been in touch with Derby & Co., of London, England, long established and well-known refiners of precious metals, who are stated to be anxious to negotiate for the concentrates produced. At the present time the principal production of radium comes from the Belgian Congo from the mines of the Union Minière du Haut Katanga, and from Czechoslovakia.

The current annual world production of radium is around 45 grammes, of which about 40 grammes comes from Belgian Congo and three from Czechoslovakia. Current selling prices are about $70,000 per gramme.

Late in 1929 a test shipment of 35 tons was made from the Wilberforce deposit to the ore dressing division of the Mines Branch at Ottawa. At that time it was considered representative of the ore shown on the surface. The uraninite content of the concentrates obtained from each ton of ore was 2.56 lbs. and, therefore, the amount of radium contained in the concentrates from one ton of ore with the value of $70,000 per gramme of radium showed the ore to have a gross value of $22.73. Subsequent developments, however, are said to have shown a considerably greater uraninite content than the carload shipped to the Department from the surface, which would increase the gross value of $22.73 per ton shown.

The company's property consists of approximately 456 acres in the township of Cardiff, about 150 miles northeast of Toronto. The International Radium and Resources, Ltd., has been incorporated with an Ontario charter and a capitalization of 500,000 shares of no par value to develop and operate the property. To date the development has been carried on by the Ontario Radium Corp., which will be absorbed by the new company.

A very complete report on the Wilberforce occurrence was made public early this year by the Mines Department at Ottawa, following the investigation by two of its engineers, Hugh S. Spence and R. K. Carnochan.

McLEOD R. PLACER BUYS POWER PLANT

Assays by Mines Department from Dredge Site Show 29.8c Per Yard

Dredging operations by the McLeod River Mining Corp., which have been delayed owing to transportation problems, promise to start this fall.

Officials state that the dredge is now ready for operation except for the power plant, consisting of a Diesel engine. This engine has now been purchased and no time will be lost in its installation.

The winter season is not expected to materially delay the company's programme since in only about two months of the year do climatic conditions interfere.

Samples of the gravel sent to the Department of Mines, Ottawa, showed values of 29.8 cents per cubic yard in coarse gold as well as flake. Metals of the platinum group were also noted as present. The samples were taken to a depth of seven ft. at the site where the dredge is being assembled.

PIONEER'S OUTPUT $55,000 IN JULY

Third Quarterly Dividend Announced—Shaft to go Lower

The July gold output of Pioneer Gold Mines of B. C., Ltd., was valued at $55,000, a slight decline from the previous month.

A heavy development programme is reported as interfering with the production, which accounted for the decline.

Work on the new three-compartment shaft is reported well ahead of schedule with raise completed to the sixth level. It is also reported that coincident with the raising of the shaft from the 1,000 ft. horizon, that sinking will be commenced next month below this level.

The third quarterly dividend of three cents per share, equivalent to 12 cents annually, has been announced as payable on October 1, to shareholders of record September 15, 1931.

Macassa Ore Shoot Responds to Work

Drifting in ore continues on the Macassa property from the 2,475-ft. horizon of Kirkland Lake Gold Mines.

The ore shoot encountered last week has now been drifted on for 55 feet, all in commercial ore around $10 to $12 per ton with showings of free gold. The vein drifted on shows a width of around nine feet and work is proceeding simultaneously with the shaft sinking programme.

Bimetallism Remedy For World Ailments Declare Famous Men

Vast Markets Curtailed Through Impoverished Purchasing Power

GOLD INADEQUATE

Sir Henri Deterding and John Hayes Hammond Discuss Views on Silver Question

Bimetallism, as a relief from the gold standard, is receiving sponsorship by international figures as a potent factor to bring the world out of the slough of economic depression.

Sir Henri Deterding, of the Royal Dutch Petroleum Co., recently said, in London, that the immediate adoption of bimetallism is the only positive remedy for our sick world today. In other words, he advocates restoration of the silver standard.

At the present time buying power in vast markets in India and China is curtailed through the impoverishment of purchasing power, following a decline in silver from $1.50 an ounce to 30 cents per ounce. These countries which have measured their wealth in the past in silver hoardings, largely in ornaments, now find their purchasing power so depreciated that a catastrophe exists so far as their ability to purchase world goods is concerned.

Sir Henri says that gold is not adequate as a measuring rod for there is not enough of it and even what there is, is mostly held by France and the United States. If a few nations persist in hoarding gold, then the rest of the world must inevitably fall back on something else. If silver were stabilized, millions of additional world wealth would be created in, particularly, Eastern countries.

Mining Engineer Speaks

Another sponsor of bimetallism is John Hays Hammond, a world-famous mining engineer. While having no universal remedy for economic ills of the world, he believes that international bimetallism would result in giving the world far greater purchasing power than it has at present, thus lessening the danger of over-production of commodities and the resulting stagnation of all markets.

Bimetallism is not a new issue. William Jennings Bryan, candidate for the presidency of the United States in 1896, espoused the idea and was defeated on his issue of free coinage of silver in the ratio of sixteen to one. United States and also France, however, were on a dual monetary system early in the nineteenth century with silver holding a definite ratio in value to gold. The adoption of the gold standard by England and Germany, however, forced both back to a one-metal basis.

"It is my firm opinion," said Mr. Hammond, "that the time is not far distant when the world will be forced into bimetallism because of the gold famine. This isn't the first time that such a shortage has threatened. The world was short of gold and governmental advisors were considering a retreat from the gold standard when the discovery of gold in California, in 1849, added a sufficient quantity to enable the world to carry on its business under the gold standard. Subsequent large discoveries temporarily relieved the situation, but every reliable indication points toward a decreasing volume of gold production, while the commerce of the world demands an increasing supply. I believe that one of the fundamental causes of the present depression is the lack of sufficient gold and its proper economic distribution to carry on the world's business."

How the depreciation of silver affects the trade in Africa is reviewed by Mr. Hammond as follows:

"A depression or anything else that curtails the buying power of the most insignificant nation on the face of the earth, takes a certain cut out of our trade. Let the same condition prevail in all the silver standard nations of the earth and a great part of our foreign trade is blocked.

"All the tribes of Africa did business on a trade and barter basis. What a trader would get in exchange for his goods depended on how badly the natives happened to want the items he carried at the particular time.

"There was no standard of value; no established medium of exchange. The far-seeing men, who opened up Africa, felt keenly the necessity of getting trade on a sensible basis.

Suspicious of Silver

"It took 30 years to educate the millions of natives in the interior of the continent to the use of silver currency, but finally silver coins became good anywhere in Africa. Then the trader carried cash instead of a lot of miscellaneous merchandise; then the native sold his goods for silver and with that silver bought the merchandise that he desired.

"There ensued an era of prosperity most satisfactory to both natives and whites—a prosperity that lasted until silver lost its purchasing power in the world markets, where the traders had to buy the goods that they sold to the natives. Suddenly the natives found that the coins, which the white man had assured them would have lasting, unchangeable value, would buy but half the goods that they had before.

"'What's the matter with the white man's money?' the native chiefs demanded. 'You taught us to use it and now you rob us.'

"What could the white authorities say to that? How could they explain to these natives that a world catastrophe had robbed their money of its buying power? The whole of black Africa has been thrown open to economic unrest.

Up and Coming

"On the East Coast of Africa lies the new colony of Kenya, centering on its capital, Nairobi. We hear little of that district.

"It has wonderful agricultural possibilities and the blacks have been especially adaptable in embracing modern methods. In one single year, just before the silver crash, American manufacturers sold $1,500,000 worth of agricultural machinery and implements in Kenya. I doubt if they'll sell a dollar's worth this year. Nor will they sell in any sort of volume until the purchasing power of silver is restored.

"Surely," resumed Mr. Hammond, "there can be no better example of what the demonitization of silver means to this country. Here we sit, smug and self-satisfied, behind our great gold reserves and a million and a half dollars' worth of business slips through our fingers, just like that.

"Think of the American families that labor's portion of a million and a half dollars would support. That loss of business from a little, insignificant section of Africa means a year's loss of wages to more than 200 American workmen. Think what the condition means when multiplied to cover our losses in all the silver money countries.

"The man on the street is probably in no position to realize the wide extent of this present depression. He doesn't appreciate that conditions in the far places of the world are affecting the prosperity of the United States. We may succeed in isolating ourselves politically, but there is no herding by ourselves economically.

Would Have Prevented Loss

"Were the purchasing power of silver stabilized the world over we certainly would have been spared a sizable portion of the losses that have been ours during the present depression. Our home market failing, we could have sought business among the teeming millions of China, India, Africa, Mexico, South and Central America and all the other silver currency nations.

"But with all these countries eliminated on account of the demonitization of silver, there was no place for us to turn to bolster up our dwindling trade. We couldn't get increased business in the gold standard nations; they were and are in the same or worse fix than we.

"It would be almost impossible for these silver countries to go onto a gold standard. In the first place, there's not gold enough in the world to give them sufficient reserves to insure the stableness of their fractional currency. In countries where the natives labor for as little as 50 cents a week and even less, it would be impossible to make gold coins small enough to pay their wages with.

It Can't Be Done

"These countries themselves have neither the political nor economic stability to give value to paper money. Then, if paper money is no good and silver money is worth one price today and another tomorrow and gold coins are impracticable, how in the world can they go on a gold basis?

"These actual conditions, coupled with my belief that our future gold production will fail to keep pace with the demands of commerce, lead me directly to the conclusion that, sooner or later, the world will have to come to international bimetallism. I am not alone in that contention. Many of those who scoffed at Bryan in 1896 are coming to a realization that a two-metal monetary system would do much to stabilize world trade.

"Of course, some of the American and European bankers, with fortunes based on the gold standard, will oppose any such move. But, more and more, economic leaders are declaring for bimetallism. Sir Henry Deterding, the great Dutch oil magnate; Lord De'Aberon, recognized as one of the greatest of Britain's financiers, and many of the leading bankers on the continent have declared for the stabilization of the value of silver."

Mining Stock Index

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base of 1926=100, was 68.5 for the week ending August 20, as compared with 66.5 for the previous week.

Eleven gold stocks rose from 65.1 to 66.4, four gold-copper stocks from 75.5 to 79.2, and five silver and miscellaneous stocks from 30.0 to 33.5.

Bidgood Stock Exchangeable For New Issue

In a letter to shareholders of Bidgood Consolidated Mines, Leo Erenhous, president, requests shareholders to forward stock to the Union Trust Co., Toronto, for exchange.

At a shareholders' meeting on October 25, 1930, a revision of capital structure was ratified, reducing the then authorized capitalization of $6,000,000 in $1 par value shares to 3,500,000 shares of no par value. Under the scheme of reorganization old shares were to be transferable into new shares on the basis of five old for a new one. Now that the new stock is available the old stock will be withdrawn from trading on Sept. 1, and on that date the new stock will be called.

In commenting on progress at the property Mr. Erenhous said the shaft is nearing its immediate objective of 525 ft. It is expected that this objective will be reached by the latter end of this month when lateral work will be started to explore the vein system on the 125-ft. level. A new vein dipped into the shaft during the sinking programme, which over a width of 5 ft. shows an average assay of $15 in gold per ton.

Metal Prices

New York—August 25—
Copper: Electrolytic spot, 7½ to 7¾c. lb.
London—August 25—
(Long ton)—
Copper: Electrolytic spot, £35 10s; future, £36 10s. Standard spot, £32 10s; future, £33 7s 6d.
Tin: Spot, £116 17s 6d; future, £119 10s.
Lead: Spot, £11 17s 6d; future, £11 17s 6d.
Zinc: Spot, £11 12s 6d; future, £12, 2s 6d.
Silver: 12⅝d. per ounce.

Turner Valley Drilling Report

Wells Drilled by Imperial Oil

Progress Report—Week Ending August 21, 1931

Name of Well	No.	Type	Depth last report feet	Present depth feet	Feet drilled	Remarks
S. Lowery	3	R.	5153	5178	25	Standing cemented. (Top of lime at 5,147 ft.)
Sterling Pac.	2	R.	3188	3446	258	Drilling in shale.
Lethbridge	1	S.	3432	3500	68	Shale, casing lowered to 3,456 ft. underreaming.

Note: R.—Rotary. S.—Standard.

McINTYRE PLANS SINKING WINZE BELOW 4,000 FT.

New Mine Seen in Making in The Platte Vet Section

Following the natural sequence of development, plans are now under way for sinking a winze from McIntyre-Porcupine's 4,000-ft. level to the 5,000-ft. and possibly the 6,000-ft. horizon.

The new main or No. 11 five-compartment shaft has been carried to a total depth of 4,150 ft. From the 3,750-ft. level, a long crosscut toward the Platt Vet property encountered an interesting ore showing the latter part of June. This interesting development is understood to be progressing satisfactorily and an official recently said, "recent intersections lead us to believe that we have a real ore body and if these developments continue we may have a new mine in that section, which is about half a mile from the main working." The decision to explore below the present low working means new hoisting equipment for the winze and while no decision has been definitely reached as to when this work will start it is obvious that with the recent encouragement met with, that deep exploration should follow as a matter of sequence.

The new mill is now operating at full-rated capacity of 2,000 tons of ore daily. In the meantime, the old plant is operating in the capacity of a clean-up mill, handling about 500 tons daily. The starting up of the new mill necessarily entailed a considerable absorption and it is hoped that the recoverage from the clean-up of the gold plant will compensate for the absorption that has taken place in the new mill.

The old plant is being rapidly dismantled and by the time snow flies it is anticipated that all departments, including the office, will be removed to the new site of operations, on the north side of Pearl Lake. The new layout presents a modern mining operation of which there is no equal in Canada.

Tailings from the mill are being used to level up the site after, which it is probable the entire surface plant will be fenced.

Hunts, Ltd., Purchases Store in London, Ont.

Announcement is made by Hunt's, Ltd., that the company has purchased the assets of Goody's, Ltd., of London, Ont., and alterations to the store are being proceeded with immediately under the direction of a local architect. The store which is located at 169 Dundas Street, is being temporarily closed for ten days to permit of these changes being made.

Hunt's, Ltd., now has approximately 30 units in its candy chain, and its recent purchase gives the company repsentation in four large Ontario cities, Toronto, Hamilton, Ottawa and London. Two new stores were recently opened in Toronto, one in the western section of the city, and the other in the Forest Hill district.

Sales of the company for the first six months of the current year were somewhat lower in comparison with 1930, but business during the summer has been generally satisfactory, according to H. W. Hunt, president

CANADIAN ENTERPRISES LIMITED
Developing Gold Properties
Keefer Bldg. — Montreal

HOWEY TUNES UP NEW EQUIPMENT FOR ORE SORTING

Improved Haulage Facilities to Make for Lower Handling Costs

Last week Howey Gold Mines put into operation its sorting plant, which when tuned up, is expected to enable the company to mine close to 900 tons of ore daily.

In connection with these changes involving greater production, improvements in handling ore underground have been inaugurated. In the future all ore will be trammed on the 375-ft. and the 1,000-ft. horizons. A electric locomotive has just been purchased for the main haulage of the ore on the 1,000-ft. level, and ore passes cut below the 375-ft. horizon. On the 375-ft. level a mechanical rope haulage will be used for the present. New and larger automatic dumping cars have been ordered and when the underground haulage programme is complete considerable economy is expected to be introduced.

New Neighbors Important

The optioning of the Munroe find by Coniagas Mines is seen as having a possible important bearing on Howey's operations. Inasmuch as F. D. Reid, general manager of Howey, is also general manager of Coniagas it is not improbable that if the Munroe find, only four miles from Howey's plant, proves up in the manner expected, indirectly it will prove of great benefit to Howey. Up until now Howey has had to battle isolation, 110 miles from the railroad. If the new find develops in the manner anticipated, power will be required, and since Howey owns the power line from the Ear Falls plant, a mutual arrangement would have to be made between Coniagas and Howey for power. This would enable Howey to regain a part of its transmission line construction expenses and could quite conceivably result in the hydro taking back the power line, reimbursing Howey for its expenditures, once it was assured that it had a profitable load from two producers.

Another property in the area would also improve labor conditions and contribute in many ways to improve operating conditions. With that fraternal feeling that exists in most mining camps, Howey has already undertaken to do the assaying for the new find.

MINING SECURITIES
Listed and Unlisted
Waverley 1633
J. E. Grasett & Co.
Members
Standard Stock & Mining Exchange
302 Bay Street, Toronto

More Prairie Butter

Butter production in Western Canada last year increased by 1,161,424 pounds; the total output being 47,424,201 pounds.

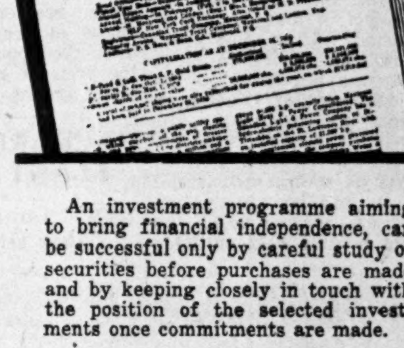
We Recommend the Purchase of
Lake Shore Hollinger
McIntyre Teck Hughes
Dome Sylvanite
Wright-Hargreaves
Write for latest information.
G. W. Nicholson & Co.
Members
Standard Stock & Mining Exchange
302 Bay Street Toronto
Elgin 5317

MOSS GOLD MINES
Send for our Special Circular covering this Interesting Speculation
F. W. MACDONALD & CO.
Members
Standard Stock & Mining Exchange
159 Craig St. W. MONTREAL Ma. 7785-4121
38 King St. W. TORONTO Elgin 6255
Wire connections to all principal markets

WE SPECIALIZE IN BRITISH COLUMBIA MINING STOCKS
Buying and Selling orders promptly executed on the exchange
THOS. STEELE & SON LIMITED
Stock and Bond Brokers
Main Floor, Rogers Bldg., Vancouver
Members Vancouver Stock Exchange

You Can't Read All the Newspapers
No business man has the time to read hundreds of papers daily; to search their pages for information relative to himself or his business.
Our staff can do that very thing for him—for you.
We will clip and mail you daily, everything printed in Canadian newspapers and periodicals about anything that is of interest to you.
We can also give service from foreign newspapers if required. We invite you to outline your requirements in a letter. Our reply quoting rates will be prompt. Write:—
CANADIAN PRESS CLIPPING SERVICE
143-153 University Ave. - Toronto, Ont.

Study Further Tomorrow's Market Aces
YOU, as an investor, are following that excellent series of articles now appearing in The Financial Post under the title of "Stock Market Leaders of Tomorrow." Stocks that will build fortunes in the next bull market are included in this list which represents no group of hot tips but rather a selection of securities coldly analyzed for their strong points and their probable future.
You have seen some of the havoc that has been wrought and can be wrought by investing without complete knowledge. In the future you will probably study the companies you select as you never did before.
For every company covered in this series of articles there is a comprehensive report in The Financial Post Corporation Service. These reports will enable you to study different companies in detail and then, through the continuous information service that is an important feature, to keep posted throughout the year.
The cost of such a service on the companies you may be interested in or intend to buy into is trifling. View it in the light of insurance—as an investment to insure that you get every piece of news about every one of your companies.
Secure a service on the companies in which you are interested.
$12 a Year for 10 Companies
Additional companies pro rata
THE FINANCIAL POST CORPORATION SERVICE
143 University Avenue, Toronto

Continuing Knowledge Makes for Profit

An investment programme aiming to bring financial independence, can be successful only by careful study of securities before purchases are made and by keeping closely in touch with the position of the selected investments once commitments are made.
At the attractive rate of $12 a year The Financial Post Corporation Service will supply you with a special analysis and information service on any 10 companies you select, with additional companies pro rata. Such a service gives you, in card form, a complete review of each company—its history, capitalization, management, seven years' earnings record, dividend record and all other points you need to make your investigation thorough.
In addition, the service supplies you throughout the year with current items of importance affecting the companies whose securities you select. The review of Montreal Power, illustrated above, is a 12-page booklet giving important facts about the company.
Many individual investors are using these special services, thus benefitting from the investigations and research of The Financial Post Corporation Service.
THE FINANCIAL POST CORPORATION SERVICE,
143 University Avenue, Toronto.
Please send me postpaid special yearly service on the attached list of .... companies at the rate of $12 a year for 10 companies with additional companies pro rata.
I enclose cheque for $..........
OR
Please send me further particulars and sample card on ....
Name ....
Address ....

SIGNS ARE FEW OF IMPROVEMENT, BANK DECLARES

Small Crop Prospect and European Situation Uncertain

A better balancing of Canada's "visible" foreign trade and activity in her tourist traffic (one of her most important "invisible" items) together with a slight rise in construction and comparative steadiness in some of the secondary industries are chief among the recent favorable developments, as viewed by the Canadian Bank of Commerce in its monthly letter for August.

The industrial decline, however, continues, affecting chiefly the "heavy" industries, while the general trade situation is complicated by uncertainty as to the measure in which the adoption of President Hoover's plan will receive the co-operation of all nations interested. The letter states, in part:

"A continued decline in industrial operations, mining and foreign trade has occurred during July, offset, at least in part, by a slight rise in construction work and by a marked increase over the preceding months in tourist trade. All these developments are mainly seasonal, although the influence of international events and of crop damage in the Prairie Provinces can also be recognized. The prospect of comparatively small grain crops in the West seems to have screened some favorable elements with which we deal later.

"The industrial decline has now extended to the point where factory and mill production is at the lowest level since 1926. A sharp drop in the output of steel and automobiles and of automobile materials is in contrast with a small reduction in newsprint and with comparative steadiness in certain secondary industries, such as footwear and textiles:

"While exports of Canadian products in June were somewhat less than those of May and preliminary reports indicate a further decline in July, there was a still greater contraction in imports, with the result that for the first time since December, 1930, and on one of the few occasions since the beginning of the present depression, there was a favorable 'visible' balance.

"Allowing for price fluctuations there has been a decline of 17 per cent in exports and of 23 per cent in imports during the first six months of 1931 as compared with the corresponding period of 1930. The unfavorable 'visible' balance is much less than it was a year ago, 64 million dollars in comparison with 111 million dollars.

"It is too early yet to come to any definite conclusion as to the results of tourist trade this year, but some encouraging reports have been received, from both official quarters and the bank's branches, as to the number of visitors (increases are recorded at several points) although there is, as was the case in 1930, the qualifying factor that individual expenditures are on a smaller scale.

"As to the general financial position of the country, The National Industrial Conference Board, Inc., of New York, an organization devoted to the most careful and scientific enquiry, recently had this to say: 'Canada has no special financial difficulties, and is free from internal or external political disturbances. The soundness of the financial structure and the relative absence of political difficulties make the prospects of an economic revival more promising than in most other countries.'"

Geo. C. Mackenzie

WITH the demise of George C. Mackenzie, at Bark Lake, Quebec, on Aug. 22, Canada lost one of its most widely known mining men. For the past ten years the late Mr. Mackenzie has been secretary-treasurer of the Canadian Institute of Mining & Metallurgy, with headquarters at Montreal, and as such was known as an indefatigable and popular worker in the interests of mining throughout the Dominion.

Born at Kincardine, Bruce County, Ontario, in 1877, the son of the late Ven. Archdeacon Mackenzie, he received his early education at Brantford, later graduating in arts from Trinity College, Toronto. In 1905 he graduated in mining from Queens University at Kingston, and since has been actively engaged in the pursuits of the profession. After some years engaged in iron mining in Nova Scotia, he was appointed to the Mines Department at Ottawa, in 1908. From 1915 to 1918 he was secretary of the munitions resources board of Canada. Following the war he was in commercial life until by popular acclamation in 1921 he was selected to fill the position he so ably held until his death.

Rose-Decked Highways for Western Ontario

It seems not at all improbable that some of the Canadian highways may soon be turned into bowers of roses during the season of bloom. It was recently announced that the Women's Institute of Welland county are planning such a transformation for 250 miles on Highway 3A from the Peace Bridge to Windsor. A start has already been made and a number of bushes have been planted. This is to be continued on both sides of the highway at a rate of 250 bushes for every three mile stretch.

Tourists in the future, when they come to Ontario will find beautiful stretches of rose hedge lining their route.

Slow Driving on Highways Being Abolished in Canada

Many automotive papers both in this country and the United States are recommending the making of slow driving an offense under the law where conditions make it dangerous. So far as some of the provinces of Canada are concerned the police already take action in aggravating cases basing their activity on legislation now existing.

There was a recent case at Mimico, Ontario, where a driver was fined for proceeding at 17 miles an hour and the magistrate remarked, "You are causing unnecessary trouble for everybody else when you drive at that rate."

Saint John Dry Dock Receive Harbor Contract

From Our Own Correspondent

MONTREAL.—It is reported that Saint John Dry Dock Co. has received a contract for $50,000 for erecting a shed at the harbor of Saint John. Plants of the company have been comparatively slack in recent months and it is likely that earnings have fallen below those of 1930 which constituted a record year for the company.

Wright-Hargreaves Traces Rich Shoots On 2,700 Foot Level

New developments on the 2,700-ft. level at Wright Hargreaves Mines are showing up in a most satisfactory manner, M. W. Summerhayes, general manager, told The Financial Post. Only a few rounds have been taken out in the east and west drifts but all work has been in ore well above the current mill heads of $11 per ton. Exploration has not been carried beyond drift width—5 ft.—but results are more than anticipated.

The programme of development, directed at opening five new levels at 150 ft. intervals below the 2,250 horizon, is responding in a splendid manner and tends to confirm the downward extension of the ore body developed on the 2,250-ft. level which has already been proven the longest ore body developed.

The drifting on the 2,700-ft. level confirms the existence of an offshoot of the south vein. This means an important addition has been made to what is already indicated as a new mine at depth. Drifting on the 3,000-ft. level is not yet under way. The vein has been cut and preparations are just being made to start drifting on two faces.

The ore body, now being developed, apparently has its apex somewhere about the 2,000-ft. level, and has developed into a most favorable horizon at the 2,250-ft. level with a total length of 3,500 ft. in the north and south vein systems. Of these, the north is the richer, but the south vein has about twice the width, averaging close to 10 ft.

The mill continues to treat approximately 750 tons daily, with additions being completed which are expected to increase this amount in the immediate future to about 850 tons. Mill heads in the meantime are averaging about $11 per ton.

The site for the new No. 4 shaft is being cleared away and preparations are being made to start sinking, with an immediate objective of 4,000 ft. This shaft is comparable with other big production shafts in Ontario's gold camps and will provide adequate facilities for the extensive expansion programme the company has planned.

New Ford Diesel Due Next Month?

The latest Ford rumor from Cleveland, Ohio, states that contracts have been placed by the Ford Motor Co. for parts relating to the manufacture of an eight-cylinder motor employing the Diesel principle. Introduction of a completely new model on the market is said to be planned for approximately October 1.

The body design, it is reported, will be of the streamline type, and the price is stated to be going to be around the thousand-dollar mark in the United States. The same report states that the new model will not immediately displace the four-cylinder range, but that it may ultimately do so.

Trade Balance Feels Effect Capital Inflow

Comparative data concerning Canada's international transactions and an estimate of the balance of international payments for the period 1926 to 1930, compiled by the Dominion Bureau of Statistics, Internal Trade Branch, shows that in 1930, as in 1929, Canada's international accounts have been brought into balance by an inflow of capital arising from loans floated abroad or by the investments of other countries in Canadian enterprises. In 1929 the difference between the debit and credit items of the national balance sheet amounted to 65 million dollars, and, in 1930, to 160 million dollars, and there is evidence that a considerable portion of the difference is to be accounted for by the importation of capital.

Tourist traffic forms one of the chief credit items in the balance sheet, a favorable balance of 166 million dollars being shown in 1930, a decline of 22 million dollars from the 1929 figure. Commodity trade revealed a debit balance in 1930 of roughly 100 million dollars, gold movement 14 million, freight payments 32 million, and interest payments 184 million dollars.

Merchandising Difficulties

Comparison of data for 1929 and 1930, item by item, throws a clear light on the great changes wrought by the world depression and by the difficulties involved in the marketing of wheat. Merchandise exports fell from 1,200 million dollars in 1929 to 905 million in 1930, and, while this drop is partly accounted for by lower general price levels in 1930 as compared with 1929, it is also largely accounted for by the wheat situation. It is, further, apparent that Canada experienced a much greater reduction in the prices in her export commodities than the compensating decline in the price of goods which are normally imported.

PACKARD TO OPEN PLANT AT WINDSOR

New Canadian Company Takes Over Property in Border City

Announcement has been made this week by the Packard Motor Car Co. that a plant has been acquired at Windsor, Ont., and that a new Canadian company has been organized and that operations are expected to commence on September 1.

New company will be known as the Packard Motor Car Co. of Canada, Ltd., according to Alvan Macauley, president of the parent company. The products of the new plant will be identical with those put out by the United States company.

"We have taken this step," said Mr. Macauley, "because we know the future of Canada is very bright and we want to have an active participation in its growing importance. We have a large number of Packard owners in Canada, and we want also to show them our appreciation of their loyalty to us. We have been moved, too, by the desire to co-operate further with the fine distributing organization we have in Canada by supplying them with a product produced in Canada."

Automatic Shock Control Marketed by Gabriel Co.

Following Packard's controllable shock absorbers the Gabriel Co. of Cleveland, Ohio, have come out with a two-way automatic device which compensates for all road, weight and temperature conditions.

The degree of shock absorption is thermostatically controlled by regulation of the flow of oil through an adjusting valve. It is said that this automatic regulator accomplishes in a moment, and many times during the course of a motor ride, what formerly took a mechanic from 15 to 20 minutes to accomplish once.

Survey Pasture Lands

A complete survey of all pasture lands in Canada is to be conducted by Prof. L. E. Kirk, of the University of Saskatchewan, announcement of whose appointment as Dominion Agrostologist was made in the House of Commons the other day by Hon. Robert Weir, Minister of Agriculture.

WILLYS-OVERLAND OFFER NEW MODEL WITH KNIGHT UNIT

Model 95 is First Lower-Priced "Knight" Car With Free-Wheel

Introduction of the new model 95 Willys-Knight car marks the first entry into the medium low-price-car field of the Knight sleeve-valve engine and will open up a much wider market for cars equipped with this famous power-unit. In addition to the advantages which are claimed for this type of engine, automobile purchasers are now offered it in conjunction with the free-wheeling feature, this being optional at slightly extra cost.

The new "95" is built on a wheelbase of 113 inches, and may be had in three types of body, namely, coupé with rumble seat, Victoria-coupé, and 5-passenger sedan, and standard equipment of all models includes six demountable wood wheels, the two spares being carried in front-fender wells. The six-cylinder engine, which has been specially designed for this new model, has a bore of 2 15/16 inches and a stroke of 4⅜ inches.

Prices of the model 95 are $1,250 for the coupé and $1,320 for both the Victoria-coupé and the sedan, these prices being "delivered Toronto," tax included. Free-wheeling is available on all at an additional cost of $45.

Cattle Exports Active

The export cattle movement to Great Britain continues unabated, the total for the season of navigation to date being 12,681, as reported to August 8th.

Municipal Tax Payments Reflect Fiscal Position

Per Capita Municipal Taxation Increased Generally in 1930—Collections More Difficult Especially in the West—Arrears Increase

Promptness with which municipal taxes are paid, providing that methods of collection are at least moderately efficient, is an index of the financial condition, the taxable capacity and the reserve buying power of a municipality according to a recent bulletin issued by the Citizens' Research Institute of Canada which gives the facts on some Canadian cities for the fiscal years 1929 and 1930. That tax collections are quick to reflect any trend from prosperity to depression and also to indicate the extent to which each municipality is affected is well illustrated by the figures given in the report.

Taxes Per Capita Gain

Increased per capita municipal taxation in 1930 compared with 1929 was shown for 9 of the 15 western municipalities on the list; the exceptions being New Westminster, Burnaby, Lethbridge, Medicine Hat, Moose Jaw and Brandon. In Ontario only seven municipalities, Cornwall, Guelph, Hamilton, North Bay, Owen Sound, St. Thomas and Welland, out of the 36 on the list, and in Quebec only one Chicoutimi, out of 14 did not show increases of a similar nature. In the Maritimes, two, Moncton and Halifax, out of six had decreased per capita taxation. The tendency for municipal taxation to increase faster than population is therefore still fairly general in the provinces of Ontario and Quebec, but a majority of the municipalities in the Western provinces on this list are still finding it possible to reverse this trend.

In 50 of the 60 municipalities listed below, for which such information was available, the percentage of current tax levy uncollected at the end of the fiscal year was greater in 1930 than in 1929. The corresponding figure for 1929 over 1928 was 27. In other words citizens in almost twice as many municipalities on the list found it increasingly difficult to meet their tax bills promptly in 1930 than in 1929.

Collections More Difficult

In the Western provinces only two municipalities, North Vancouver and Burnaby District, both in British Columbia and contiguous to Vancouver City, were able to collect a larger percentage of current taxes in 1930 than in 1929. It is noticeable in connection with other Western provinces that those municipalities more dependent on wheat were inclined to experience the greater difficulty in tax collections. In Ontario the exceptions to the general trend were Timmins, a gold mining centre; Ottawa, a civil service city; Welland, which may have been benefitted by canal construction work, and Port Arthur. In other Ontario municipalities on the list, with the exception of those which have had rapid growth in recent years, both industrially and in population, the increase in percentage of current levy uncollected was less, as a rule, than in Western municipalities in the wheat belt.

Quebec City, the capital of the Quebec province, had a better record of collections in 1930 than in 1929 as did Westmount, a city with great tax paying ability. Ste. Hyacinthe also had a smaller percentage of current levy outstanding. Other Quebec cities indicated moderate increases in uncollected current levy. Halifax* in the Maritimes reflected the generally better conditions there and Saint John and Moncton were little changed in this respect than 1929. This section of the Dominion, on the whole, reflected the best tax collection conditions.

Tax Arrears Greater

In 54 out of the 71 municipalities on the list per capita municipal tax arrears increased in 1930 compared with 1929. This is a reflection to a large extent of conditions discussed in the preceding paragraph. In 1929, 36 of the municipalities on the list increased per capita tax arrears compared with 1928.

Comparisons of tax collections of various Canadian cities in 1929 and 1930 as compiled by the Institute are as follows:

Municipality	Population	Per Capita Tax Levy		% Current Levy Uncollected at End of Fiscal Year		Per Capita Total Tax Arrears§	
	1930	1930	1929	1930	1929	1930	1929
Western—				%	%		
New Westminster	20,000	$30.62	$31.21	8.9	8.7	$ 6.20	$ 7.49
North Vancouver	11,000	42.10	34.71	19.9	22.9	12.51	12.48
Vancouver	242,629	49.28	45.33	12.4	9.0	9.42	6.77
Victoria	42,000	42.09	41.89	10.47	9.5	10.84	10.68
Burnaby Dist.	23,500	29.66	31.26	18.8	20.1	8.93	9.26
Calgary	*81,000	48.01	45.43	14.8	11.1	8.72	6.32
Edmonton	77,557	52.54	52.02	13.9	12.0	13.98	11.94
Lethbridge	13,984	39.10	43.19	17.9	14.2	11.77	10.30
Medicine Hat	10,500	40.37	42.17	31.4	29.1	‡92.42	‡85.77
Moose Jaw	21,000	50.95	51.78	28.4	19.0	20.10	15.94
Regina	†55,000	37.32	37.15	18.1	13.9	7.37	5.60
Saskatoon	45,000	36.73	36.40	23.6	18.1	8.94	7.07
Brandon	17,769	31.38	37.62	28.1	24.7	18.91	24.23
St. Boniface	16,321	51.31	49.36	39.7	28.8	26.14	18.62
Winnipeg	212,815	50.61	50.12	24.7	21.7	19.51	17.09
Ontario—							
Belleville	13,914	40.18	39.46	18.4	16.8	12.21	11.15
Brantford	30,100	41.62	40.04	11.8	8.4	6.93	5.14
Chatham	16,434	33.85	33.36	23.5	21.6	9.18	10.09
Cornwall	11,050	24.64	25.57	23.3	?	6.13	5.56
East Windsor	16,081	63.84	58.49	44.9	35.3	47.46	30.10
Fort William	24,470	56.20	51.33	?	?	9.30	9.79
Galt	13,960	40.80	40.03	10.0	7.7	9.22	7.07
Guelph	21,210	34.35	34.35	14.7	13.5	9.03	9.31
Hamilton	150,065	40.49	41.12	11.0	10.3	7.91	7.40
Kingston	22,534	38.87	37.50	2.4	1.7	1.26	.69
Kitchener	31,114	39.32	37.27	?	?	2.79	2.67
London	71,310	47.96	45.83	12.6	11.0	8.08	7.76
Niagara Falls	18,678	53.44	50.28	22.9	21.5	17.58	15.47
North Bay	16,353	35.84	37.59	?	?	6.07	5.10
Oshawa	23,687	40.42	32.17	27.4	20.9	15.57	9.01
Ottawa	127,332	44.04	43.40	8.5	8.7	5.32	5.86
Owen Sound	12,778	36.58	37.91	7.7	5.3	3.21	3.03
Peterborough	22,487	40.10	39.14	8.2	6.2	4.53	3.62
Port Arthur	19,430	61.62	55.90	12.5	12.7	16.92	12.29
St. Catharines	25,645	43.36	42.17	10.8	6.8	7.36	7.62
St. Thomas	16,582	40.54	41.75	13.8	12.3	9.75	7.68
Sandwich	11,408	68.55	61.07	39.5	35.8	46.38	35.90
Sarnia	17,540	40.98	39.98	19.1	17.9	14.71	16.59
Sault Ste. Marie	23,079	36.78	36.38	16.2	14.8	10.67	9.45
Stratford	18,626	36.92	35.81	?	?	13.06	12.53
Sudbury	20,099	21.08	18.65	20.5	16.8	6.39	4.55
Timmins	12,539	35.07	34.28	31.1	33.0	17.37	22.57
Toronto	621,596	53.96	51.68	15.5	14.2	10.48	9.03
Walkerville	11,351	69.18	59.00	14.4	12.1	13.33	9.22
Welland	10,338	41.51	42.25	15.0	15.1	11.16	10.44
Windsor	68,079	53.66	49.72	?	36.4	26.88	18.38
Woodstock	10,840	29.83	28.37	4.7	2.9	2.02	1.31
York Township	60,207	47.48	46.09	31.2	27.1	21.11	18.07
East York Township	30,550	41.24	40.62	33.9	31.0	17.99	18.17
Scarborough Town'p	18,212	39.51	38.36	43.6	40.3	33.46	31.30
Etobicoke Township	15,050	42.52	41.48	37.4	32.5	30.49	28.41
Quebec—							
Chicoutimi	11,454	26.41	26.55	18.7	14.5	7.85	6.78
Hull	28,241	28.25	27.21	?	?	11.41	9.81
Joliette	10,904	12.92	11.97	19.8	19.5	3.41	3.18
Lachine	19,026	36.69	35.31	11.5	?	13.74	12.66
Levis	11,167	22.08	17.46	48.2	?	14.27	13.20
Montreal	810,000	44.87	44.51	23.1	21.9	16.04	14.86
Outremont	27,500	36.78	36.30	21.1	19.3	10.85	10.45
Quebec (Apr. 30)	138,000	28.78	28.01	24.0	28.6	17.69	17.56
Shawinigan Falls	15,072	38.75	27.80	4.7	3.5	5.16	1.96
Sherbrooke	28,757	21.46	21.10	27.6	22.7	9.51	8.18
Ste. Hyacinthe	13,500	15.41	14.83	17.2	26.0	4.49	4.66
Three Rivers	40,000	33.19	28.38	22.1	17.1	11.82	7.51
Verdun	51,140	28.85	?	9.6	?	4.61	?
Westmount	25,000	z71.25	62.00	15.3	19.4	19.86	20.40
Maritime—							
Moncton	22,064	33.01	33.40	21.3	21.0	9.00	9.96
Saint John	55,000	30.62	29.53	12.9	12.8	8.35	8.30
Glace Bay	?	?	18.28	?	22.2	?	8.45
Halifax (Apr. 30)	62,000	32.43	35.46	20.6	22.6	10.06	14.78
Sydney	25,000	20.29	19.85	38.1	36.4	13.83	12.12
Charlottetown	12,850	14.00	12.14	13.1	11.5	4.00	2.06

* Institutes Estimate. Citys Estimate 85,000.
† Institutes Estimate. Citys Estimate 60,000.
‡ Large reserve against these.
§ Not inclusive of tax sale lands or certificates held by the City, as lack of information as to reserves in some instances might result in misleading comparative figures.
z For 14 mos.

New Gold-Basis Currency Is Big Step for China

Gold-Unit Notes Are Called "Sun" and Are Worth 40 Cents—Said to Mark Second Development Toward Gradual Adoption of Gold Standard

Announcement of the Central Bank of China last month of a new gold-basis currency, namely the issue of customers gold unit notes in denominations of 10 cents to $10 just at the time when the rest of the world was rushing to its rescue to stem the fall in the price of silver has aroused considerable comment both in this country and elsewhere and has raised discussion as to the exact basis and status of this currency and its relation to the Haikwan tael which since 1843 has been the common unit for all customs compilations in China.

The new currency is interpreted by expert observers as being a second and important step toward the gradual adoption of a complete gold standard by China along the lines recommended by the Kemmerer Commission. The first step was taken in January, 1930, when the Chinese Government announced that hereafter it would collect its import duties on the basis of a gold unit valued at about 40 Canadian cents, and termed the "sun." This unit replaced for import duties the Haikwan tael which was created in 1843 by the Treaty of Nanking as a unit to provide a uniform application of customs duties, tonnage duties and the like, and which in the intervening 87 years has acquired nation-wide use, not as money or in commercial transactions but merely for customs purposes. The unit is also used for compiling customs information in statistical form, on a basis common for all China. It has a weight of silver 1,000 fine. As here used the word "haikwan" means "customs dues" and "tael" ("liang" in Chinese) is a given weight of silver.

It may be pointed out that in 1843 at the time of the treaty, there already were, and still are, many kinds of "currency" taels in use in China. Each city had its own system of weights and measures. The Shanghai tael was used in Shanghai business transactions, Tientsin had its own tael, Hankow its own. Each of these taels by usage, however, differed from all the others. In other words, owing to different weight and fineness the various taels gave each Chinese locality its own local currency system. Silver being the metal used for settlement of accounts, the currency was silver. A single "shoe" of "sycee," indeed, might circulate in any part of China. Considering its weight and fineness and comparing these with the local tael, however, the shoe of sycee would be accepted at Shanghai taels in Shanghai and Tientsin taels in Tientsin.

For actual payment of duties local currency taels like the Shanghai tael, or even foreign coins in local circulation, were used. For purposes of payment of the duty the latter was converted from haikwan taels into local money, according to the relative weight, fineness, and other factors of the haikwan tael and the local unit. For the Shanghai tael the ratio fixed was: 100 haikwan=111.4 Shanghai taels.

Then came the first step in the journey toward the gold standard, namely, an order by Finance Minister T. V. Soong that after February 1, 1930, to supplement falling revenues due to the decline in the price of silver, the haikwan tael would cease to be the unit for computing import duties, import duties in future to be based on gold. It was necessary to fix an arbitrary rate for converting the haikwan-tael duties in silver into duties payable on a gold basis, the rate of conversion being fixed at 1¾ gold units equal to 1 haikwan tael, which gave the gold unit or "sun," a value of about 40 cents.

Duties continued payable in local Chinese or other currencies (for example in Shanghai taels in Shanghai) but were assessed in "gold units," which as already noted was an uncoined unit of account. With the publication in the early part of 1930 of the first tariff actually stated in gold units, the necessity for converting the duty into gold units disappeared and the haikwan tael ceased to figure in the assessment or calculation of import duties. In the collection of export duties, tonnage dues and the like, however, the tael has continued to be the unit on which the duties are payable. Moreover, the customs still employs it as the unit in which statistics of revenue collections and merchandise movements are kept and published. It would seem, therefore, that revenue statistics would be published, for imports, in gold units, and for exports, tonnage dues, etc., in haikwan taels. To avoid using two units, however, import-revenue collections are converted into haikwan taels and all statistics published by the Chinese maritime customs at present appear in that unit.

The valuation of imports in haikwan taels is, for statistical purposes, made only four times a year—at the end of each quarter. For the conversion of the import-invoice valuations from gold into haikwan taels the quarterly average of the daily value of the Shanghai tael in gold is used as a basis.

Now comes the new gold unit created to facilitate payments of duties directly in customs-gold-units. The new notes are to be covered by a 100 per cent reserve, with at least 60 per cent in gold or gold credits. The notes are made redeemable on demand in gold drafts on foreign financial centres in sums of 1,000 customs gold units or more, and in the case of lesser amounts, in local currency at current rates of exchange. The notes are acceptable by the customs throughout the country without discount.

These features are for the most part in line with recommendations of the Kemmerer Commission except that the commission's plan recommended that the gold currency be supported by reserves of only 35 per cent in China and in gold standard countries abroad, the chief reserve being built abroad in a fund built up by profits in seignorage on the minting of silver coins, profits on foreign exchange and by similar means. The monetary stock of silver held by the Government was also to be a part of the reserve.

Canadian International Trustee CITS Shares

At PRESENT market level, the investor could not find a better investment with such SECURITY, DIVERSIFICATION, YIELD and MARKETABILITY.

Trustee Holdings Distributors Limited
132 St. James St. West - MONTREAL, P.Q.

A Book of GREAT Value

THE FINANCIAL POST SURVEY OF MINES 1931

THE mining stocks offer great attractions. The leading golds are being recommended by many conservative investment houses as first rank securities. Some of the other stocks are considered among the most promising for large appreciation.

Investors will want to consider carefully before buying—or selling where the stocks are now held. The Financial Post Survey of Mines gives the exact information which makes possible such consideration.

This is the sixth year in succession in which The Financial Post has brought out its Survey of Mines. Each preceding volume has been an accepted success. The average paid circulation over this number of years has been 7,165. It is confidently expected this year's volume will exceed the others in value.

READY FOR DELIVERY SEPTEMBER 30

The Survey of Mines is the only complete record of mining activity in Canada available in permanent form. It is a vivid compilation of facts relating not only to the industry in a broad sense, but to the various companies that together form that industry. The Financial Post Survey of Mines is a reference volume for everyone interested in the great and growing mining industry, whether as an operator, mine executive, financier or investor. It holds its place as the one authoritative reference volume on the desks of all those whose interests, either directly or indirectly, touch the mines.

This year companies will be covered in an even more complete manner than formerly; of producing companies there will be full record of production, costs, earnings and dividends, complete record of financial structure and history, also details as to personnel and directorate.

Companies under development will be fully covered with *present status of operations*, together with names of all officers and directors.

A much more complete list than ever before published of dead and dormant companies will have a place.

A list of leading mining engineers, geologists and mine managers is to be included.

Issue limited. To ensure receiving copy please order at once. Price $2.00

Use Coupon to order this valuable book

THE FINANCIAL POST,
153 University Ave., Toronto.

I enclose $2.00. Please send me postpaid a copy of The Financial Post Survey of Mines, 1931, as soon as it is published.

Name ....

Address 779

C. N. E. Automotive Show Launches Autumn Motor Season

MOTOR SHOW BIG FEATURE OF EXHIBITION

New C. N. E. Building is Mecca of Car Owners and Purchasers

COMPARES WITH BEST

Ground Floor Space Over 130,000 Sq. Ft.—Thousands See Industry's Annual Parade

Depression or no depression, there is no doubt that well over a million people will make annual pilgrimage to the Automotive Building at the Canadian National Exhibition the two weeks commencing Friday, Aug. 28, to view the thousand-odd models that will there be displayed.

This fine structure, which stands at the eastern entrance of the Exhibition grounds is not only a masterpiece of modern architecture but is in every way worthy of one of the foremost industries of this continent. It was designed throughout with one purpose, and one purpose only, namely to present under one roof the complete range of nations automobiles to the best advantage of the exhibitor and the greatest comfort of the would-be purchaser.

Wide Range Shown

Here, in the next two weeks, will be shown motor cars of every size, shape and cost offered to a motoring public, from the smallest roadster to the largest and most luxurious limousine. Here for the mechanically-minded will be unfolded the mysteries of the free-wheel, the synchro-mesh transmission, floating power, ride-control, and many other recent developments in automobile engineering.

On the mezzanine floor will be found all the latest accessories from tires to turnbuckles, while this year there will also be a "tourist travel" display, an interesting feature of which will be exhibits by all of the most prominent shipping companies. Many models of famous Atlantic greyhounds will be on view, including a twenty-foot reproduction of the famous Cunarder, the "Mauretania", and another of the huge Hamburg-American liner "Europa".

The accommodation of the Automotive Building, with its 130,000 square feet of ground floor space, is unexcelled anywhere on the continent, and the varied colors of the automobiles, the mural decorations of the amphitheatre itself, combined with the decoration of the stands make a gay picture. The view from the gallery from which the slow-moving stream of visitors, back and forth along the aisles, in multitudinous shades of color, is indeed an impressive one.

From the point of view of utility, there can be no doubt that the annual automobile show, which has been held for many years past at the Canadian National Exhibition in Toronto has been of distinct value not only to car manufacturers and users but to the industry as a whole. In addition to offering to thousands of prospective purchasers a unique opportunity to analyze the merits of the many models in every class and price-range under convenient and comfortable conditions, valuable contacts are established between potential buyers and manufacturers, and also between manufacturers and agents themselves. Further, important executives are drawn together from all parts of the country and from the United States, and afforded an opportunity of exchanging views, discussing trends, and comparing products. It has frequently happened that executives have met over their respective exhibits who have been unsuccessful for months in attempting to "connect" at their own offices. The outcome of such meetings is definitely beneficial to the industry and the public alike.

Under these circumstances the C.N.E. motor show has come to be recognised as one if not the most important show of its kind in Canada, and its growth has provided one of the outstanding features of the Canadian National Exhibition.

No Ice on Windshield For Future Drivers

One of the few remaining developments in the way of providing still further comfort for passengers is some sort of air temperature regulator. It is considered highly probable that some manufacturer will equip his 1933 models with some device which heats or cools the air inside at the will of the driver.

Another device which should not be long delayed now is one that will prevent frost and ice forming on the windshield. It is reported that one manufacturer is already experimenting with cowls having slots in them through which hot air from the exhaust manifold is conducted so that the stream plays upon the windshield, and that such a device will be incorporated in his forthcoming model.

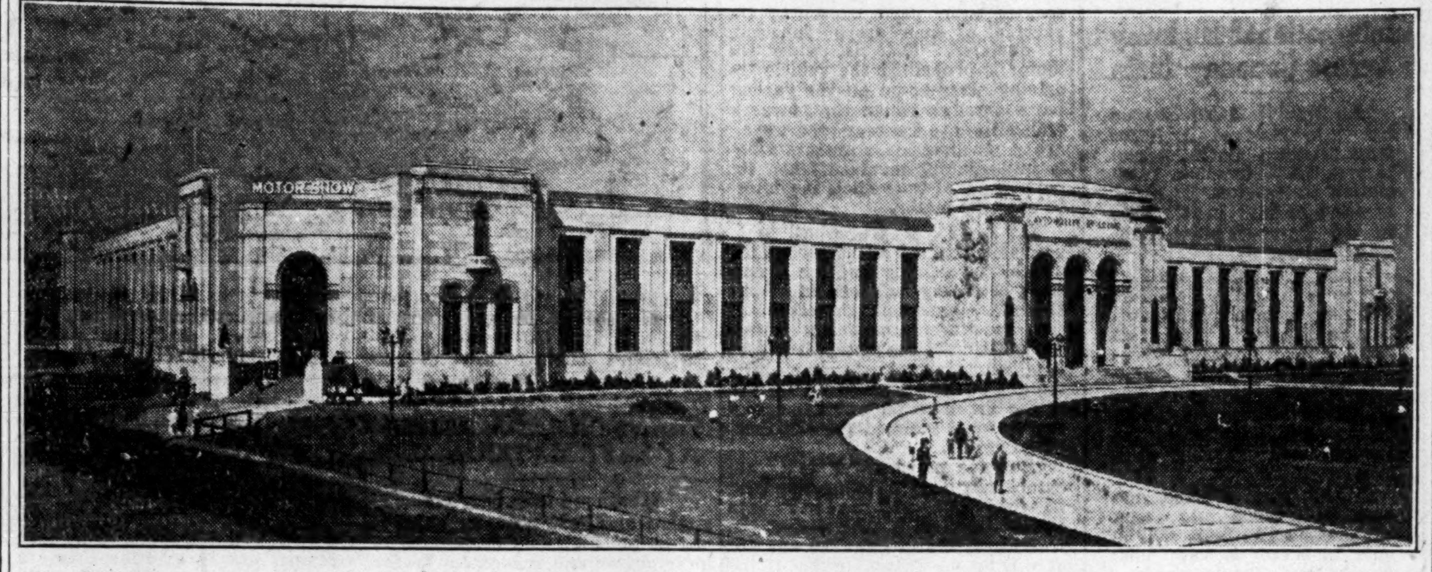
S. A. E. DINNER ADDED FEATURE

Gathering of Leaders of Auto Industry Slated for Sept. 1

A notable feature at this year's C. N. E. automobile show will be a dinner to be held by the Society of Automotive Engineers, Canadian Section, on Automotive Day, September 1, following the general practice in automobile shows in the United States.

Particular interest attaches to this feature in that it is the first time that such a function has been arranged in connection with the Canadian National Exhibition, and representatives of all sections of the motor industry from both Canada and the United States will be present. The chairman will be George Garner, who is the chief engineer on General Motors staff and president of the society.

Motoring Public Will Flock to C.N.E. Motor Building in Next Two Weeks



The C. N. E. Automotive Building or Motor Show shown above is the finest display amphitheatre for automobiles in Canada and will be visited by upward of a million people during the national exhibition at Toronto which commences August 28. Floor space alone covers 130,000 sq. ft. and hundreds of models will be on display during the show. This is the leading fall show for eastern Canada motordom and plays an important part in bringing the latest automotive styles and features before the motoring public.

OCTANE RATING NEWEST METHOD OF GAUGING GAS

Knockless Quality Determined by Simple Process

The development of anti-knock properties in gasoline by refineries in the past year or so, has given currency in recent months to a new phrase in motordom, "Octane rating" and ever since its introduction automobile owners have been asking each other what it means.

Octane rating is a newly adopted method of measuring the knockless quality of gasoline and was introduced by the Society of Automotive Engineers and other organizations who felt the need for an accurate and standardized measuring system. This was developed with the aid of two laboratory made and chemically pure liquids, Octane and Heptane. Octane has a higher anti-knock quality than any gasoline, while Heptane, a similar substance, has a lower anti-knock quality than any gasoline. The knockless performance of any gasoline can be duplicated therefore by mixtures of the two in varying proportions, a standard test engine being employed to test both gasoline and the mixtures under similar conditions.

Octane rating, then is simply a figure denoting the percentage of Octane required in a mixture of Octane and Heptane, to produce precisely the same performance as the gasoline under test, and this method is the universal one employed by refineries.

Different gasolines have Octane ratings varying between 60 and 85, the average for the majority of Canadian refined products being around 68—70.

Says Canada-Made Cars Offer Excellent Value

Prospective Purchaser Has Eighteen Domestic-made Lines to Choose From—Average Canadian Car Has Labor Content of $456

By J. L. STEWART
General Manager, Canadian Automotive Manufacturers and Export Association

Canadians are constantly becoming more aware of the fact that in buying Canadian-made automobiles they are not only obtaining the best value possible, but they are also helping themselves and this country by keeping Canadian money in Canada and by providing employment for Canadian workmen.

Comparison of Toronto-delivered prices on imported and Canadian-made cars shows a definite price advantage in favor of the home product. This saving ranges all the way from five to fifteen per cent on the completely equipped car.

Range is Wide

There is no difficulty in suiting every individual taste, and purse as 18 distinct lines of automobiles are manufactured in Canada in a wide variety of models. Prices range all the way from slightly over $600 to $8,000. In every price class there is opportunity for selection from several different makes and types.

The Canadian-made automobile, moreover, is not only the equal of the imported car in workmanship, finish, and performance, but is, in many cases, more completely equipped.

The satisfaction of the buyer's desire for value and economy should be further added to by the realization that every Canadian-made car represents employment to Canadian workmen and livelihood for Canadian families.

An average of $20,000,000 annually is paid in wages and salaries in Canadian automobile plants alone. In addition hundreds of other Canadian plants in a wide variety of industries are employed in the manufacture of materials and parts, and the total expenditure for labor was computed in a recent year at $74,000,000. This meant an average labor content for each car produced of $456 or the equivalent of three months support for a Canadian worker and his family.

Some idea of the variety of industries affected may be gathered from the following partial list of materials and equipment entering into the manufacture of the automobile—all of which are purchased from Canadian sources of supply: aluminum products, batteries, ball bearings, brake equipment, brake lining, brass fittings, cable, carpet, linoleum and oilcloth, castings (grey iron), celluloid, clocks, cork, electrical devices and supplies, enamels and paints, cotton fabrics, velours, plush, mohair, broadcloth, etc., glass, hardware, horns, hydrometers, lamps and bulbs, leather, locks, lumber, meters, motors, mirrors, nuts and bolts, rubber parts, spark plugs, stampings and forgings, steel, tires, tire chains, tool kits, trunks, twine, wheels, wire.

SEVERAL MAKERS PLAN TO INVADE CHEAPER FIELD

Following Lead Given by Plymouth's Entry

According to recent rumors the low-priced car field will be swelled next year by invasion by several manufacturers who are believed to be contemplating contending for this business. To the present list of Ford, Chevrolet, Plymouth and Willys, at least three new names are expected to be added. In addition, one company operating in the so-called $3,000 field is said to be planning a companion car to sell in the $1,200 range.

Many have tried unsuccessfully in years past to enter what used to be exclusive Ford domain, but since Chevrolet forced the door there seems to be no end of aspirants for a place in the lowest-price arena, according to an observer in the Wall Street Journal. But while novelty in automobiles has always been a stimulating factor in the past, the outlook for 1932 presents some aspects of uncertainty.

The Ford Picture

Chief among the factors which presents material for speculation, says the New York financial journal, is the Ford situation. Ford has suffered a greater loss in competitive position this year than at any time in its history, but there is still some question in the minds of well-informed people whether Ford really needed to let it happen. The loss in competitive position in the U.S. is said to represent part of the price Ford has had to pay for overproducing something like 200,000 motors and equivalent car parts last winter in order to provide work for his men. This bank of motors and parts has had to be worked off since. It is undoubtedly the principal reason for the

(Continued on page 18)

Dream of Pioneers Trans-Canada Route At Last Materializes

Work on Certain Portions of New National Highway to Commence at Once—Provincial Governments to Submit Their Plans to Ottawa

WILL GREATLY RELIEVE UNEMPLOYMENT

Much Speculation Concerning Final Plan to be Adopted by Ontario With Several Alternative Routes Suggested

If the swiftly-moving current of events during the past few months is maintained it will not be long before dreams of a Trans-Canada Highway become an accomplished fact. The project began to gain impetus a year ago when Mr. Bennett, during his general election campaign put the scheme forward persistently as a means of relieving unemployment. Since that time many problems of vital importance have claimed his attention, but it seems now that the time has arrived when some definite steps are to be taken in the matter of "Canada's main street."

Divergent views in regard to the routing of the highway have yet to be reconciled, several alternative schemes having their ardent supporters. However, the selection remains with the governments of the provinces concerned and their recommendations to the Federal House have been solicted by the Premier.

Plans Still Indefinite

No definite plans have so far been published by the various provincial governments regarding the routing of the proposed through highway, but the Dominion government has asked each province by order-in-council to designate the highway within its boundaries to be brought up to the standard provided by the Dominion government. Outlining the plan so far as it is at present formulated Mr. Bennett is quoted as saying at Calgary recently:

"It appears probable the road from Nova Scotia joining the New Brunswick border at the Isthmus of Chignecto will continue through Quebec to the city of Montreal, and from that city up the valley of the Ottawa to North Bay, thence north to Hearst and then north and west to Heron Bay.

"From the latter point to Kenora a large number of men will be employed during the coming winter. From Kenora to the Manitoba boundary the road is nearly completed, and when the section in British Columbia now under construction is finished, there will be a through highway from the Atlantic to the Pacific. In every provice of Canada, work will be necessary on the 'trans-Canada highway' which will provide considerable immediate employment."

Federal Government's Part

On such existing roads and highways as can be incorporated in the national scheme grades will be reduced, curves eliminated, and roads, where necessary, widened, and hereafter the extra cost of the maintenance of such trans-Canada highway will be borne by the federal government. That is, the extra cost of making and maintaining such road to a federal standard, if such road has been constructed inferior to that of the Dominion specification.

While final plans are to be still not completely settled, work on certain obviously necessary portions is going forward immediately, and employment will be given to thousands of unemployed on the stretch of highway to be built between Port Arthur and Kenora which is to be started at once.

In the whole coast-to-coast scheme the course of the highway west from Winnipeg presents the least element for speculation, since the principal cities across Manitoba and Saskatchewan are already linked up, leaving only necessary improvement work to be done along certain stretches. Some pioneer building, however, has to be undertaken in British Columbia to bridge existing gaps in the system. The main work lying ahead is the establishment of the route through Ontario and Quebec. The shortest route east to west would be attained by a direct line west of Quebec to Cochrane where the new road to Hearst would be joined, and this plan finds sponsors both in Quebec, and of course in the Cochrane district. In the southern portions of Ontario, however, it is maintained that such a route, while it would undoubtedly prove an important asset to the north country, will only serve tourists starting from or entering Canada at Quebec, and will miss entirely the more thickly populated area to the south.

Ontario's Problem

Several alternative routes for the Ontario section present themselves, one that is particularly favored in southern and western Ontario calling for the extension of the highway at present terminating at Sault Ste. Marie from Ottawa and North Bay. From the Soo the highway would carry north along the attractive east shore of Lake Superior to Michipicoten. From there, it would leave the shore, continuing directly north up one of the river valleys to White River on the C. P. R. At this point it would meet a proposed highway running south-westerly from Hearst which is now linked up with the new Ferguson highway and the clay belt highways.

These two highways would merge into the main national highway which from this point, White River, would be pushed directly west, striking the north shore of Lake Superior again at Heron Bay and continuing along the scenic north shore of the lake to Nipigon. From there it would follow the existing road to the twin ports, Port

(Continued on page 18)

Time and Expense Saved By Regular Inspections

The modern automobile can be maintained in a safe and efficient operating condition at little or no expense, so that in these days there can be little excuse for the car owner who becomes involved in an accident owing to any mechanical failure or defect.

Periodical inspection is the surest preventive and therefore the most effective form of insurance the automobile owner can invest in. By catching trouble before it manifests itself the motorist will not only save himself a good deal of anxiety and annoyance, but will get greater pleasure out of his car, retard depreciation, and in the long run save money since the failure of one part of the mechanism almost invariably involves some other part or parts in damage or strain and sets up a train of trouble and expense.

Easy to Test

Modern testing equipment is now easily accessible to every driver, the processes are simple and convenient, and regular use thereof will undoubtedly save money in the end. The ultimate cost of ownership is reduced, while the owner will enjoy a greater mead of confidence in the performance and appearance of his car during his term of possession, and preserve its value.

From the point of view of safety, investigations of the U. S. National Conference on Street and Highway Safety revealed that at least 15 per cent of all motor vehicle fatalities are due to defective equipment. These 15 per cent are far less excusable, if any accidents are excusable than fatalities resulting from most other causes, for they present a condition which is for the most part avoidable.

Modern car vehicles are as safe as it is possible to make them when they leave the manufacturers' plants. In the last few years great progress has been made in regard to brakes, for instance. In addition to being powerful and efficient they are easy to maintain in that condition. Steering mechanism is better, tires are sturdier, windshield wipers and rear-vision mirrors are now standard fittings on practically all models, and horns are more dependable.

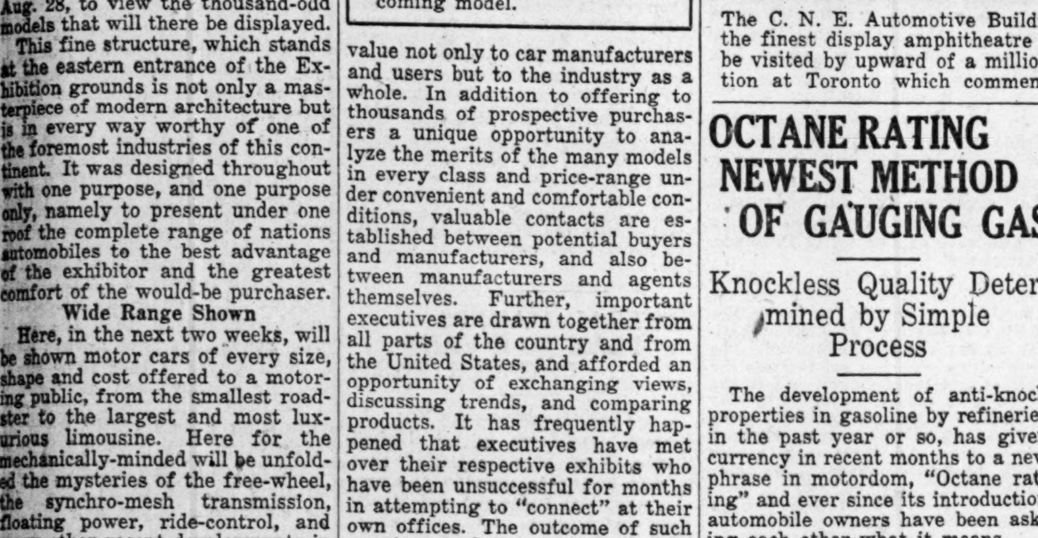
No piece of machinery, no matter how well it is constructed, can be operated continually without becoming worn or without getting out of adjustment. This fact is recognized in every efficiently operated industry which therefore subjects its equipment to regular inspections not only to eliminate possible accidents but also to maintain efficiency and to hold depreciation down to a minimum. The railroads offer an excellent example of this type of preventive maintenance.

Maintenance Necessary

Motor vehicles are no exception. They too are machinery which demand proper maintenance if they are to deliver to their owners the fullest return on their investment. Operators of commercial motor vehicles have recognized this need to a large extent. They subject their buses, or trucks, or passenger cars to regular inspection not only to make sure that all chances for accidents are eliminated but also to reduce operating costs and to hold down depreciation.

Registrations, Revenues Reach High Level in '30

	Registrations			Revenue	
	Cars	Trucks	Total	From Registration	From Gas Tax
P. E. Island	6,611	719	7,402	$ 145,994	$ 140,853
Nova Scotia	36,078	6,958	43,036	1,052,480	851,725
New Brunswick .	30,318	4,515	34,833	876,987	659,797
Quebec	140,802	38,174	178,976	5,298,217	4,075,368
Ontario	491,007	73,662	564,669	5,566,200	10,756,836
Manitoba	68,550	11,258	79,308	1,079,894	1,099,778
Saskatchewan ...	108,161	21,700	129,861	1,954,549	1,538,556
Alberta	85,067	17,585	102,652	2,014,927	1,939,048
British Columbia	80,766	18,177	98,943	2,167,124	1,605,751
Yukon Territory..	134	75	209	2,400	....
Canada, total, 1930	1,047,494	192,495	1,239,889	$20,158,772	$22,667,712



REO QUALITY
in the
LOWEST PRICE Truck Field

Reo cordially invites Exhibition visitors to inspect at the Bay Street showrooms, Toronto, the new 1½-ton Speed Wagon that is revolutionizing truck values.

This remarkable combination of engineering advancements brings Reo quality to the lowest price truck field (see illustration above):

1. Heavy, full-floating rear axle designed for either single or dual wheels.
2. Dual wheel equipment optional at small extra cost.
3. Extra sturdy frame. 7-inch channels. 5 cross members.
4. 4-speed transmission.
5. Big truck engines—4 or 6 cylinders.
6. Chrome nickel alloy iron cylinder block with seven times the wear-resistance of grey iron.
7. Maximum piston displacements—205 cu. in. in the 4-cylinder and 214.7 cu. in. in the 6-cylinder.
8. Heavy steering spindles.
9. Full pressure lubrication, even to the piston pins.
10. 5-bearing crankshaft in the 4-cyl.; 7-bearing crankshaft in the 6-cyl.
11. More loading space back of cab.
12. Weatherproof hydraulic brakes.
13. Heavy Spoksteel wheels.

Visit the special Reo Commercial Transportation Exhibit, 1029 Bay Street.
See the newest Reo passenger cars — Reo-Royales and Flying Clouds, Automotive Building, Canadian National Exhibition.

REO MOTOR CAR COMPANY OF CANADA, LIMITED, TORONTO

SPEED WAGONS REO AND TRUCKS

CHRYSLER

—for Style
—for Action

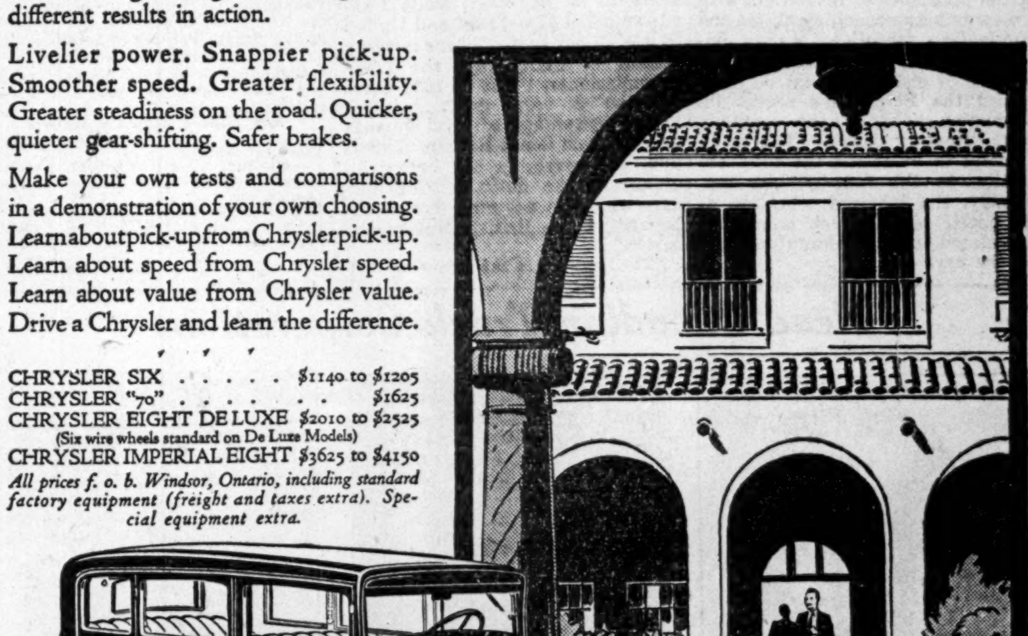
SEE THE SPECIAL DISPLAY OF
CHRYSLER MODELS
AT CANADIAN NATIONAL EXHIBITION
AUGUST 28 TO SEPTEMBER 12

The difference between Chrysler cars and other cars is not merely an outer difference in style—but an inner difference in engineering with delightfully different results in action.

Livelier power. Snappier pick-up. Smoother speed. Greater flexibility. Greater steadiness on the road. Quicker, quieter gear-shifting. Safer brakes.

Make your own tests and comparisons in a demonstration of your own choosing. Learn about pick-up from Chrysler pick-up. Learn about speed from Chrysler speed. Learn about value from Chrysler value. Drive a Chrysler and learn the difference.

CHRYSLER SIX . . . . . $1140 to $1205
CHRYSLER "70" $1625
CHRYSLER EIGHT DE LUXE $2010 to $2525
(Six wire wheels standard on De Luxe Models)
CHRYSLER IMPERIAL EIGHT $3625 to $4150
All prices f. o. b. Windsor, Ontario, including standard factory equipment (freight and taxes extra). Special equipment extra.



"CANADIAN-BUILT FOR CANADIANS"

CHRYSLER CORPORATION OF CANADA, LIMITED
WINDSOR, ONTARIO

MANY GAINS IN CAR DESIGN DURING 1930-31

Free-Wheel, Synchro-Mesh Enjoy Increasing Popularity

YEAR REVIEWED

Depression Spurs Manufacturers to Need for New Ideas and Improvements

The phenomenal expansion of the automobile industry to date has been due probably more largely than to any other single factor to the continual stream of improvements made in cars. It has been thoroughly demonstrated that the motoring public is very receptive of "novelties," and that it is always waiting and ready to take up new and improved features with immoderate avidity. Manufacturers have long been very much alive to this fact and have substantially capitalized it throughout the history of the trade. The benefits accruing to car producers therefrom are double-barreled, in that not only does the desire of the general public to own a model embodying the latest known feature create a demand, but the demand is considerably stimulated by the obsolescence of older models.

In a depressed period such as the world is now going through, the decline of sales has proved an added spur to manufacturers to develop innovations in an effort to both quicken the appetite of potential purchasers and to take the best advantage it can of competition.

Past Year Reviewed

Standard Statistics Co. Inc., of New York state their opinion that certain trends now in evidence are of extreme importance in making any evaluation of the longer-term outlook for the industry. Reviewing the automobile industry during the past year this authority says:

"In the past year, probably the most widely advertised changes have involved the transmission. In July, 1930, Studebaker introduced free-wheeling, which, although previously well-known in principle, had not before gained wide application. Since that time other prominent makes such as Pierce-Arrow, Lincoln and Hupmobile have adopted the same type of free-wheeling as standard equipment. A number of others have offered similar devices as optional equipment, these including Hudson-Essex, Graham-Paige, Willys-Overland, De Soto, Dodge, Chrysler (on its sixes) and Marmon. Auburn incorporated its own conception of the principle as standard on its 'de luxe' line and optional on the lower priced cars. Finally, the new Plymouth incorporated a free-wheeling device, similar to that offered in the Chrysler, as standard equipment.

"Many other companies, however, have hesitated to adopt free-wheeling, either because they prefer to await a more thorough testing of the public's reaction or because they have their own transmission improvements to sponsor. In the latter category General Motors has led the way with its 'synchro-mesh' transmission. At first it was embodied only in its higher priced vehicles, but it has gradually been made available on the low priced lines so that now only the Chevrolet and the Pontiac cars are without this feature. Recently Packard and Nash have introduced new cars which include transmissions designed largely along the lines of the General Motors Product."

Comfort Increased

While transmission improvements have occupied a large part of the automotive spotlight in the past year or so, many other features have come in for active development. The new Packard, for instance, embodies what is termed "ride control." This innovation consists of improved shock-absorbers, adjustable by the driver in regard to the tension to accommodate the varying road conditions.

Other developments have centred around improving engine performance, along which lines experimental work has been increasing. Nor have these efforts been confined to mechanical features alone. The body has figured importantly in many of the recent improvements, including wider application of the principles of insulation, with a view to both deadening noises and eliminating vibration. As an important off-shoot of this particular line of endeavor must be mentioned the Plymouth's recent introduction of what the company term "floating power." This is an attempt to overcome the chief objection to the four-cylinder car, namely, the inherent vibration of its power plant, which is in turn translated into the riding qualities of the car.

U. K. Trade Official Reviews Canada's Place in N. Zealand Car Market

Canada's Biggest Motor Mart Seen Turning to Britain

NEW PREFERENCES

Canada Now Stands Midway Between Britain and United States—Domestic Plants Gain

With Canadian motor car manufacturers keenly interested in the export field which in past years has offered a market for as much as $50,000,000 of Canadian automotive output, the current situation in New Zealand which in 1929 was counted as Canada's biggest market and which took over $7,000,000 of Canadian motor cars and accessories, is of prime importance to this basic industry. New Zealand's imports of automobiles have reached nearly $28,000,000 in the peak year, 1929.

It will be remembered that on August 20, 1930, Canadian motor vehicles, tires and engines lost the British preferential rates and at that time were placed in the same position as similar foreign goods, except that they did not pay primage duty. This disadvantage has been somewhat further lessened by the fact that since that time the duty on imported motor vehicles has been amended so as to give additional protection to New Zealand body builders and increased preference to United Kingdom manufacturers over foreign competitors.

Striking Change in Rate

According to a report by L. A. Paish, Great Britain's Trade Commissioner in New Zealand, issued by the Department of Overseas Trade, a Canadian motor vehicle imported into New Zealand and valued at £250 now pays a duty of no less than £121¼ as compared to £52½ prior to the change in New Zealand's attitude to Canadian imports. Since the subsequent amendment of the Tariff Act the British preference has been increased to a little over £62 and the foreign duty to £167, so that the Canadian imports now stand midway between the two. It will be noticed that, roughly speaking, United Kingdom now has a preference of no less than £105 as compared to foreign competitors, whereas before its preference was only £74. The value for customs purposes in New Zealand is the current domestic value in the exporting country plus 10 per cent.

The following table shows how the old and new duty would be computed on the basis of a car selling for £250. It is pointed out, however, that the average value of the Canadian car is much less than £250, a figure which has been selected to show the change in the duty when the value is over £200.

New Zealand Duty on £250 Canadian Car

	£
Old Rate (Prior to Aug./30)—	
10% on £250	50
Body Duty:	
10% on first £200	20
5% on excess of £200	2½
Primage	5
Total duty	£52½
Present Rate—	
35% on £250	£87½
Body Duty:	
15% on first £200	30
7½% on excess over £200	3¾
Total	£121¼

Body Builders Benefit

Just what this has done for the New Zealand motor car manufacturers who build their bodies in that country is particularly commented upon. If it is assumed that the value of the motor car body is approximately one quarter of the whole, and a typical car valued at £200 is taken, then the preference on body building in New Zealand becomes 67 per cent ad valorem in the case of British; 95 per cent in the case of Canadian; and 128 per cent in the case of foreign vehicles.

The advantage taken by the British manufacturer of his preference in this country is particularly noticed by the British Trade Commissioner. It is pointed out that in 1929 on a basis of value, the United Kingdom supplied only 19 per cent of the total number of passenger vehicle imports, while Canada supplied nearly 40 per cent and United States 41 per cent. In 1930 Great Britain had increased its share to 26 per cent, while Canada supplied 47 per cent and United States 26 per cent. "There is every reason to think," says the Trade Commissioner, "that in 1931 there will be a very great increase in the percentage of total imports coming from Great Britain. This is due, of course, to the heavy increase in the duty on Canadian cars which do not now receive the benefit of the British preferential tariff."

"The increase in the duties on Canadian cars has led to a change of policy by General Motors, New Zealand Limited who now obtain their supplies of parts from their English instead of their Canadian factory. It is understood that their intention is to concentrate upon the Vauxhall and Chevrolet models for the New Zealand market, the erection of the Buick, Pontiac and Oldsmobile at Petone, being discontinued.

Comparative import figures in the last two calendar years are as follows:

New Zealand Motor Car Imports

	1930 £	1929 £
Passenger vehicles (other than buses)	1,876.657	3,288.340
Chassis for above	118,976	119,547
Lorries, etc.	54,425	73,117
Chassis for lorries	428,082	797,716
Parts	221,704	208,161
Types	809,701	1,162,841
	£3,509,545	£5,709,722

International Highway Across Canada—India

The Ontario Motor League has just received a letter from Stenson Cooke, secretary of the Automobile Association in London, England, in which he says, in reference to the Trans-Canada Highway project:

"I am sure that if your idea can be realized the Dominion will reap tremendous benefit. Our project for a road from London to Stamboul (Constantinople), with an extension some day to India, has been received enthusiastically thanks to its adoption by the International Touring Alliance.

"When your scheme and ours have come into being our members in India will be able to motor across Asia, Europe and Canada to visit their brethren in Vancouver."

SYNCHRO-MESH, FREE-WHEELING REAL ADVANCE

Though Elementary Functions Not Generally Understood

"Free-wheeling," "synchro-mesh," "silent automatic transmission," are the latest innovations of the motor industry and are the trump cards being used this year to stimulate sales and demonstrate to would-be buyers the obsolescence of their present models.

While these various terms are being used by the trade and public alike with some abandon, it is doubtful if the average man-in-the-car knows what the terms really mean, much less what they actually involve in a mechanical way.

First, it should be understood that many of the appellations are nothing more nor less than the manufacturers' individual choice for describing the same principle, so that there shall be a definite association between his version of the principle and the name of his car. For instance, "free-wheeling," although first sponsored by Studebaker, has been commonly adopted by most other makes, but in regard to silent automatic and synchro-mesh transmissions, however, each different version of a synchronized gear mechanism has been given a different appellation by the manufacturer incorporating it. Hence there is a good deal of confusion in the public's mind as to what is completely new and what is not.

Free-wheeling Explained

Free-wheeling, to put it as briefly as possible, is the automatic disconnection, under certain conditions, of the power unit from the road wheels. It should at once be added that this feature is only operative at the will of the driver, by means of a manual control (hence the term "positive gear control") and can be suspended from action so that the car will drive exactly like a car without the free-wheel refinement. In effect, it is a sort of mechanical one-way street; the engine can propel the car, but the car cannot push the engine. Therefore when the pressure on accelerator pedal is relieved the engine dies down to idling speed quite independent of and without retarding the momentum of the vehicle. Without the free-wheel feature, if the engine speed is diminished it at once exerts a braking effect on the momentum of the car because the car is pushing the engine.

It is precisely the same in effect, and very similar in design, to the free-wheel with which bicycles are equipped, the elementary principle being that of the pawl and ratchet. Its advantages are obvious in that coasting is possible. When the engine is not pulling that car it may idle as if it were standing in the garage while the car goes spinning merrily along under its own momentum. Not only is gasoline thereby saved, but the wear and tear of many parts caused by the reversal of their proper functions is obviated. That is, when the motor is propelling the vehicle the driving stresses on all the various parts through which the power is transmitted to the rear road-wheels are in one direction, a process which is immediately reversed when the momentum of the vehicle is allowed to push the motor.

The effect of free-wheeling is precisely that of withdrawing the clutch, the driving and the driven units becoming independent of one another. Inasmuch, therefore, as the free-wheel mechanism usurps the function of the clutch, it will be readily understood why gear-shifting can be effected without the use of the clutch pedal, which is one of the features claimed for the free-wheel device.

"Positive gear control" is a term extensively used in conjunction with free-wheeling, and as has been earlier implied, it means that the free-wheel feature can be cut out at will by the driver, so that if the braking effect of the motor is required, as, for instance, in descending a steep hill on which occasions it has been the custom of many drivers to put the car into intermediate or low gear, this can be available.

Synchro-Mesh Gears

Synchro-mesh transmission is a device designed to facilitate gear-shifting and relieving the driver of the necessity of gauging the exact period which he must allow to elapse during the movement in order to make a smooth change from one gear to another. It is achieved by an arrangement of friction clutches within the transmission box by which the speeds of the two gear-wheels to be engaged are synchronized before they actually engage. Gears thus mesh silently and without the wear and tear caused by grating.

"Silent automatic transmission" is another term for the same thing, though the variety of designs by which the synchronization of gears before they actually come together are quite numerous.

Trans-Canada Highway Now Assured

A national motor highway for Canada seems assured as part of the Federal Government plan to relieve unemployment. Each province is to settle what route shall be designated within its own borders, and the above map by The Financial Post shows the problem of linking Quebec and Manitoba across the northern Ontario territory.

DREAM OF PIONEERS TRANS-CANADA ROUTE AT LAST MATERIALIZES

(Continued from page 17)

Arthur and Fort William, which is one of those already designated to be improved and brought up to the Dominion government standard. Thence the route would strike north-westerly for a distance of approximately 180 miles to Dryden, through which a long stretch of good road already runs, and on to Kenora at the northern end of the Lake of the Woods, from whence it would proceed directly west to link up with the Manitoba highway, already partly completed running out from Winnipeg to the provincial border.

While the part of this plan which concerns the route west from Heron Bay, on the shore of Lake Superior, is probably the most logical one, the scheme as outlined above, the White River route, which includes the alternate route from Sault Ste. Marie, would undoubtedly meet with warm support from all quarters in western Ontario since it taps one of the important entry points of United States tourists from Michigan and Wisconsin. It would further serve that part of Ontario having the preponderance of population which a direct route from Quebec to Cochrane and Hearst would not touch. Among other arguments in favor of the Soo route is undoubtedly the attraction that the scenic drive along the shores of Lake Superior, with its romantic, rugged country, would afford. Moreover, it would connect up by a fairly short new highway road with the existing Ferguson highway, and in addition create a loop over which the tourist could pass, whether he be starting from Ottawa, Toronto, or Sault Ste. Marie.

B. C.'s Problem

In regard to the routing of the Trans-Canada highway through British Columbia and the problems surrounding the project in that province, the following editorial comment appeared in a recent issue of The Daily Province, Vancouver:

"It is certainly rather a difficult question in British Columbia, and the difficulty is to square the necessities of the road engineer with the necessities of the harassed politician. The national highway has got to cross the Rockies and the Selkirks, and it has got to come out to Vancouver by way of the Lower Fraser. There are three ways by which it can come through the Rockies, and three main routes which must all converge, near their western ends, at Hope.

"But it does not all depend upon the choice of the province. If Alberta decides that the Trans-Canada Highway must go through Calgary, that will be a strong reason for bringing our part of the national highway through the Kicking Horse, round the Big Bend of the Columbia, and down to the Coast by the valleys of the Columbia, Thompson and Fraser, past Revelstoke and Kamloops and Lytton, and down the canyon road to Hope.

"If Alberta decides that Edmonton shall get the Trans-Canada Highway, then the natural route of the highway in British Columbia would be through the Yellowhead and down the North Thompson to Kamloops. Besides these, there is the claim of the road through the Crows Nest, and on by the Kootenays and the Southern Okanagan to the Hope-Princeton road.

The Tolmie government have to make the decision which will determine the route of the national highway in British Columbia. And, since, whatever they do, they will not be able to please everybody, we advise them not to worry too much about local politics, but to choose, in collaboration with the Province of Alberta, the route most immediately practicable.

SEVERAL MAKERS PLAN TO INVADE CHEAPER FIELD

(Continued from page 17)

current shut-down in the United States, Ford being satisfied that is was better to provide the employment last February and March than in August and September. While it is not suggested that the same condition is directly applicable to Canada the Canadian company is undoubtedly involved in so far as the production of new models in concerned.

The situation of Ford is one which will unquestionably be taken advantage of by competitors, as has already been demonstrated by the new Plymouth. It is a matter of great interest in automobile circles, and beyond them for that matter, as to what Ford can do under real pressure. And if only part of the rumours that are in the air concerning other companies' plans for 1932 materialize, pressure seems inevitable.

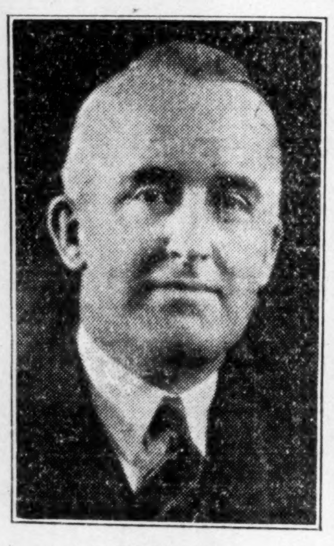
Cost of Larger Car

If it could be assumed with safety that the present price margin could stand indefinitely, then the 1932 race would revolve around the factors which are at present determining the competitive standing. If, on the other hand, Ford is contemplating producing a car with a larger motor, longer wheel-base, rear gas tank, rubber mountings and so forth—all of which are among current rumors—it would seem to make any cut in price even more remote, although the idea that a larger car is much more expensive to build is probably overrated. The dead-weight of metal in a car is not nearly so important a factor as simplicity of design, by which machined parts and labor are reduced to a minimum. Thus, the extension of the wheel-base, while it involves new body design, is a matter of but little expense, few mechanical alterations being necessary, if any.

Bodies are re-designed each year anyhow, and a extra six or ten inches in length is not a matter of any appreciable cost. A larger motor would undoubtedly entail extra expense worth considering, but once it is in production the extra cost at the factory is probably less than would be generally conceived. The chief reason that the low-price range cars have always been a smaller type is that some small sacrifice of sturdiness and rigidity is possible in a short, light car, permitting a less costly form of construction. The present low level in the prices of raw materials, will certainly be able to be passed on the automobile buyer, and the car manufacturer who is not stocked up with advance requirements will be in a favorable position to meet price competition.

Head Canadian Truck Corporations

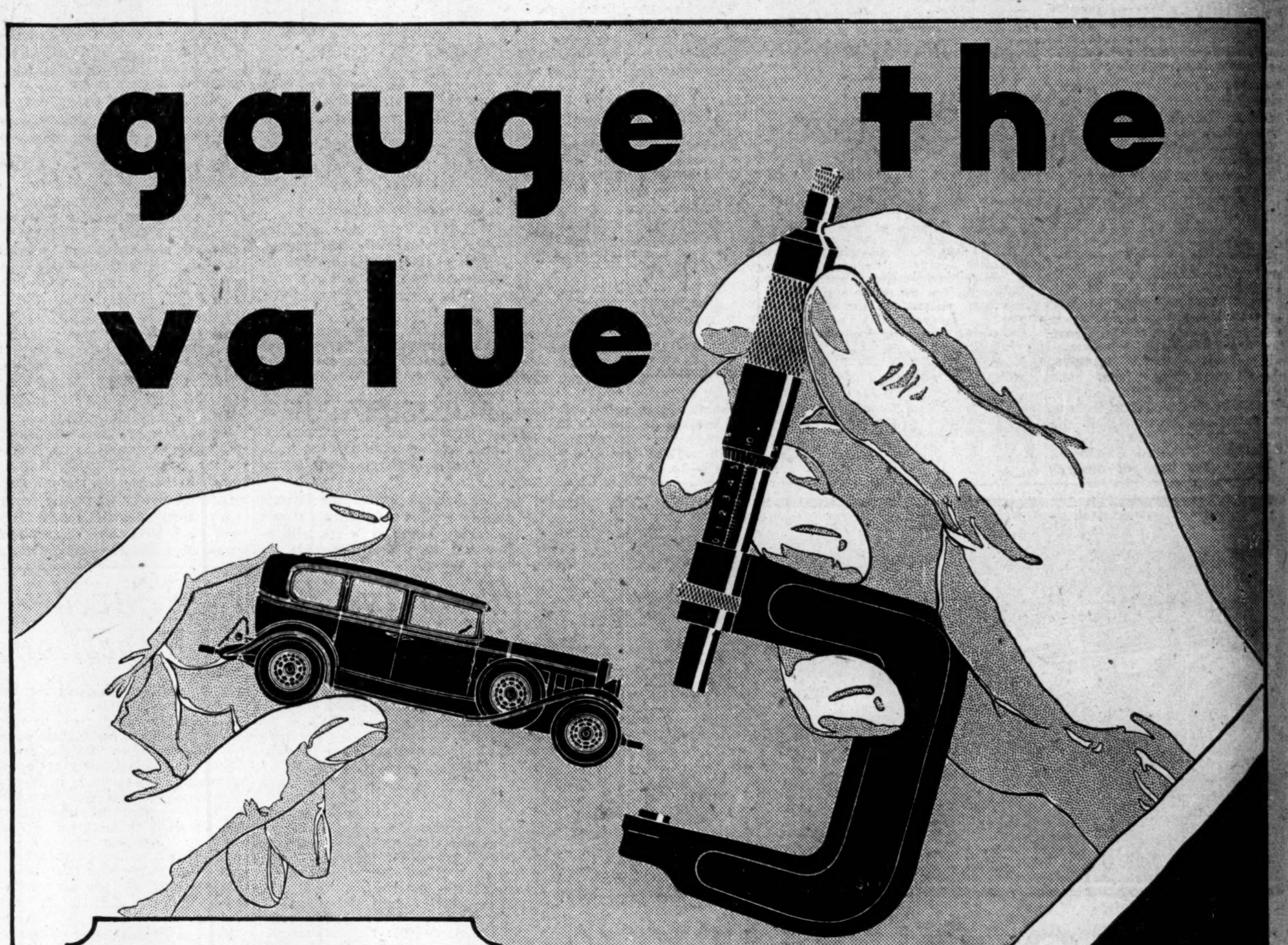
E. HALLMAN



L. M. HART

H. H. HENCHEL

Some half a dozen companies are now manufacturing motor trucks in Canada. Here are the active heads of three companies whose firms are making commercial vehicles exclusively. From left to right they are: E. Hallman, Canadian sales manager, Stewart Truck Co. of Canada; L. M. Hart, vice-president, the White Co., and H. H. Henchel, general sales manager, General Motors Products (Truck and Coach Division) Ltd.



CHEVROLET

The world's lowest priced Six. 14 models listing from $610 to $840 at factory, taxes extra. The most popular car in Canada—because, with beauty and smoothness, it combines rigid economy.

PONTIAC

"A fine car, a modern car, a General Motors value". 6 models, listing from $875 to $1,015, at factory, taxes extra. Over 40 points of rubber insulation in the chassis absorb engine vibration, noise and road shocks.

OLDSMOBILE

6 models, listing from $1,085 to $1,230 at factory, taxes extra. A car of superb performance selling at the price of an ordinary six. Includes such advanced engineering refinements as the famous Syncro-Mesh transmission and Down-Draft carburetion.

McLAUGHLIN-BUICK

22 models, listing from $1,290 to $2,660 at factory, taxes extra. More than 8 out of 10 McLaughlin-Buick owners buy McLaughlin-Buicks again and again. Every McLaughlin-Buick has the non-clashing Syncro-Mesh transmission and Engine Oil Temperature Regulator.

CADILLAC

Over 50 models available ranging from the Cadillac V-8 at $3,520, and the Cadillac V-12 at $5,130, up to the Cadillac V-16 with custom bodies for $15,000 and more. All prices at factory, taxes extra The world's finest cars.

GM GENERAL MOTORS PRODUCTS

IN the building of General Motors cars, there is no compromise with quality. If a part fails to conform to specifications, in either substance or dimensions, it is rejected. General Motors has modern plants, up-to-date machinery and equipment, and every known facility for progressive manufacture. Materials, both raw and finished, are obtained from reliable sources, for the most part within the Empire; uniformity in quality is assured through the watchful care of skilled inspectors. Craftsmanship is of high order, tasks are performed with the neatness and skill characteristic of Canadian workmen. Direct results are smooth performance, quietness, dependability, long life and unusually low prices. Gauge these qualities for yourself. Your dealer will gladly furnish a car for demonstration at your convenience. He will also explain GMAC, the economical time-payment plan, and the General Motors Owner Service Policy, which gives comforting assurance that the outstanding values of any General Motors car will endure.

Look in the classified pages of your telephone book under "General Motors Cars" for address of nearest dealer

GENERAL MOTORS CARS HAVE OUTSTANDING VALUE

MORE COMFORT DRIVING EASE NOW PLANNED

Automatic Transmission May be Next Big Automotive Development

FUTURE DISCUSSED

Modern Improvements for Most Part Available on Low and High-Priced Models

What direction will the design of automobiles take next? This is a question prompted by a glance over the heterogeneous collection of cars that may be seen on any parking lot today. Here are representatives of what were the high-class modern automobiles of yesterday, they are indeed an eye-opener.

One of the outstanding differences, to the naked eye, is the trend toward "sleekness." In the past two seasons, even, the change has been marked. Body lines have been progressively lower, cleaner, and more attenuated, and the advance has applied to all makes and classifications, so that any car in the low price-range of today compares favorably with some of the most expensive of a few years back. And not only in outline. Comfort has been one of the prime considerations of body designers in the last two years. Improved riding qualities, better seat-design, and the elimination of body rumbles and squeaks, together with gradually accumulating refinements such as windshield-wipers, sun-vizors, reflector mirrors and so forth which not so long ago were considered "extras," on all but the most expensive models. Now adjustable shock-absorbers are being fitted to one high-priced make of car, and no doubt this will give rise to further developments in the cause of riding-comfort on both models in all price ranges.

No sooner is one improvement on the market than another is underway. Designers, like the babbling brook, go on for ever. No sooner is one year's latest model off the draughting-board than all thoughts are turned to further improvements.

Height To Be Lowered

Overall height will undoubtedly be further reduced, probably by extending the underslung chassis idea, possibly by utilizing smaller road-wheels. Roofs still allow of a little lowering in some makes though in others they already give the minimum of head-room. Excepting for the contribution a low roof makes to the "greyhound" appearance, the necessity for extending this feature further does not seem to be vital. Appearance is being solved in some factories by using a high door-panel and mere longitudinal slits of windows.

Wheel-bases can and probably will be extended on many of the smaller cars to attain the streamline effect so much in vogue. It will probably add to riding-ease though it will detract from "handiness" and somewhat aggravate the rapidly increasing parking problem.

As regards mechanical improvements, the most important developments now pending concern driving ease and comfort. It seems practically certain that before long some designer will evolve a simplified form of transmission, by which even the small amount of exertion at present required of the driver will be eliminated. The synchro-mesh gear shift has gone a long way to fulfill this requirement, though it is quite probable that in years to come all gear-shifting will be done automatically with the pushing of a button or some equally simple device. Electric gear control has been experimented with for years but has never been perfected, and whether anything less bulky than the modern transmission gear-box will be found that will be as suitable in conjunction with the gasoline engine is still a moot problem. If there is an alternative it has been a long while developing.

As for the motor itself, excepting for refinements of design, there does not appear much scope for any radical improvement. With the present plethora of gasoline, and the consequent reasonable price, there does not seem to be much immediate inducement (except of course the ever-present urge of competition) to build a more efficient power-unit which will give more per gallon of gas. The possibility of the development of the Diesel engine which will run on crude oil at a few cents a gallon is one that will not have been overlooked, however, in some of the far-seeing designing rooms and one might expect to see more attention paid in the near future to more economical motors.

Leaders of Canada's Hundred Million Dollar Industry

D. R. GROSSMAN

R. G. HUDSON

H. A. BROWN

ROY D. KERBY

J. I. PHILLIPS

J. D. MANSFIELD

W. R. CAMPBELL

T. A. RUSSELL

ARTHUR KRUEGER

Even though 1930 was a poor year compared with its more prosperous sister, 1929, the value of automobiles produced in Canada in that year soared over the $100,000,000 mark. Above are the active heads of the nine plants now producing passenger automobiles in Canada. Their affiliations in each case are: D. R. Grossman, vice-president and general manager, Studebaker Corp. of Canada; R. G. Hudson, manager, Overseas Division, Reo Motor Car Co.; J. D. Mansfield, president, Chrysler Corp. of Canada, Ltd.; W. R. Campbell, vice-president and treasurer, Ford Motor Car Co. of Canada; T. A. Russell, president and general manager, Willys-Overland Ltd.; Arthur Krueger, managing director, Canadian operations, Graham-Paige Motors Corp.; H. A. Brown, vice-president and general manager, General Motors Products of Canada, Ltd.; J. I. Phillips, assistant sales manager, Hupp Motor Car Corp.; and Roy D. Kerby, president and general manager, Dominion Motors, Ltd.

Motor Industry Prepared For Returning Prosperity

While returns for the automobile industry for the first six months of the present year show a continuation of the depressed trend throughout 1930, many hopes are turned towards improved sales due to replacement buying when a turn in the tide occurs in general conditions. It says much for the stability of the automobile industry that it has weathered the rough water that has been encountered during the past eighteen months as well as it has.

Many new factories have been established in Canada since the introduction earlier in the year of the tariff on imported automobiles, and the position of the Dominion in regard to its manufacturing activities has been substantially consolidated during the past few months, and the industry should be in a good position to take advantage of the increase in demand when times become more normal.

The following statistics give a bird's-eye view of operations during 1929 and 1930:

Total Registrations	
Total for 1930 ...	1,232,273
Total for 1929 ...	1,186,480
Increase	45,793 or 3.86%

Passenger Car Registrations	
Total for 1930 ...	1,055,534
Total for 1929 ...	1,020,876
Increase	34,658 or 3.39%

Commercial Car Registrations	
Total for 1930 ...	167,336
Total for 1929 ...	156,996
Increase	10,340 or 6.59%

Production of Motor Vehicles	
Total for 1929 ...	262,625
Total for 1930 ...	154,192
Decrease	108,433 or 41.29%

Exports of Motor Vehicles	
Total for 1929 ...	102,382
Total for 1930 ...	45,361
Decrease	57,021 or 55.69%

Imports of Motor Vehicles	
Total for 1929 ...	44,724
Total for 1930 ...	23,233
Decrease	21,491 or 48.05%

Total Sales in Eastern Canada*	
Total for 1929 ...	133,713
Total for 1930 ...	91,809
Decrease	41,904 or 31.34%

Passenger Car Sales in Eastern Canada*	
Total for 1929 ...	115,042
Total for 1930 ...	77,683
Decrease	37,359 or 32.48%

Commercial Car Sales in Eastern Canada*	
Total for 1929 ...	18,671
Total for 1930 ...	14,126
Decrease	4,545 or 24.34%

*As compiled by Canadian Automotive Trade.

ACCESSORY CO'S PLAY BIG PART IN NEW MODELS

Most Improvements Come from Specialty Motor Firms

MANY FOR FUTURE

Check-Up of Latest Accessory Refinements Includes Many Not Yet Known in Canada

New developments in the automotive field in the past year have reacted favorably for manufacturers of automobile accessories, many of whom have been responsible for the most outstanding advances made in this industry of late. Some of the devices are well-known to Canadians but others have not yet found their way into the talking points of most manufacturers, so the following check-up by Business Week may be of interest.

Free Wheeling Leads

"Nearly every one of the 14 manufacturing subsidiaries of Borg-Warner Corp. has developed during recent months new products which have created a favorable volume of business for the unit.

"The outstanding development of the group is that of free-wheeling transmissions just a year ago by Warner Gear Co. and Detroit Gear & Machine Co.

"Another development which has received wide acceptance is a new type of down-draft carburetor developed by Marvel Carburetor Co. and now used on several new passenger cars. Greater carburetting efficiency is claimed for it.

"In response to the call for radiators to harmonize with modern body designs, Long Manufacturing Co., another Borg-Warner unit, has brought out several new varieties of radiators this year. Long has also developed a new type of radiator core to give greattr water-cooling area per pound of metal used and has perfected a new heavy-duty clutch for motor trucks and buses.

"A synchronous gear transmission claimed to be almost noiseless is the latest new product of Detroit Gear & Machine Co. It permits shifting from one speed to another with a smooth single movement, because all gears automatically revolve at the same speed during the shifting operation. This device is already standard on several makes of cars. Some time ago Gear & Machine brought out a device which prevents a car from rolling backwards when parked on a hill. This is being considered as optional equipment for several medium- and high-priced cars.

"Borg & Beck Co. has developed a new replacement clutch for 6-cylinder Chevrolets, said to be constructed similarly to those used in much higher-priced cars.

"Among the new products of Morse Chain Co. are a flexible coupling for transmission of power between 2 shafts which are slightly out of alignment; a special inboard motor boat transfer drive for securing high speeds; a marine reduction-gear for power boats and yachts.

"Pines Winterfront Co. recently went outside its field and brought out a battery-filling unit and a new set of automobile direction lights.

"Outside the Borg-Warner group new developments have also been rapid.

Anti-Rust Anti-Freeze

"National Carbon Co., purveyor of Eveready Prestone, an anti-freeze mixture, now offers Eveready Rustone, an anti-rust mixture for automobile cooling systems. B. F. Goodrich Co. has a new tubeless tire for agricultural and industrial tractors. Patterson Manufacturing Co. and Safety Free-Wheeling Co. are among those which are cashing in on the sudden popularity of free-wheeling by developing special clutch and transmission devices.

"Eaton Products Co. has developed a motorless vacuum cleaner which operates from an engine exhaust and Bendix Aviation Corp. has announced that this fall it will place on the market a new free-wheeling unit, a vacuum gasoline tank, and a new chassis lubricating system.

"AC Spark Plug Co. has developed a new plug which causes less interference with auto-radios; Evans Product Co. has a new floor anchoring device to facilitate fastening of automobiles and other heavy objects for freight shipment. Budd Wheel Co. has complemented its stainless steel Snapspokes with the Snapguard, which snaps over the hub of a wire wheel and completes the bright appearance of a wheel equipped with Snapspokes.

"General Tire & Rubber Co. has brought out Perfection Brake Shields which are said to make internal brakes proof against water or dirt. Dill Manufacturing Co. has a new slot machine for installation in garages and service stations, from which its line of tire valves and aps can be purchased easily."

Border Cities Advocate Revision of Speed Limits

Existing speed limits in the various provinces are constantly the targets of talk, and changes from time to time may be confidently forecast. One change was urged in a resolution passed recently by the Border Cities Chamber of Commerce, "as a result of reports received that United States motor tourists are being warned to stay away from Ontario because of the enforcement of the 35-mile per hour speed limit in the country and of the 20-mile per hour speed limit in the cities, towns and villages of this province."

The Border Cities Chamber of Commerce further suggests that the Boards of Trade, Chambers of Commerce and other civic organizations pass similar resolutions urging an increase in the speed limit.

MOTOR OUTPUT LOWER IN JUNE AND HALF YEAR

May-June Drop Largest in Industry in Nine Years

During the first half of 1931, production of motor vehicles followed a wholly seasonal course, attaining a peak around the first of May and showing a generally receding trend thereafter. Although monthly percentage relationships with 1930 were moderately improved in the second quarter, the most favorable comparison, made in April, showed a decline from April, 1930, of some 25 per cent, while estimated June production ranged about 27 per cent below the corresponding month last year. It is noteworthy, however, that the industry generally, with the exception of Ford, produced approximately as many units as in June, 1930. It is probable that, exclusive of Ford, a greater volume of output is being attained at the present time than was the case for this period last year, according to Standard Statistics Co. Inc. of New York in a recent report on the industry.

Although it previously had been anticipated that a more even level of activity could be maintained this year, allowing for the normally wide seasonal fluctuations, the June decline from the immediately preceding month (approximately 22 per cent) was the largest percentage decrease for that period in over nine years. Canadian output showed a decline of 46 per cent. The total first half-year production of cars and trucks in the United States and Canada aggregated some 1,630,000 units, representing a reduction of 29 per cent from the more than 2,300,000 vehicles produced in the same period in 1930. Figures for Canada were 66,085 units in the first half of the current year against 110,685 for the same period in 1930, a reduction of over 40 per cent.

Demand Sluggish

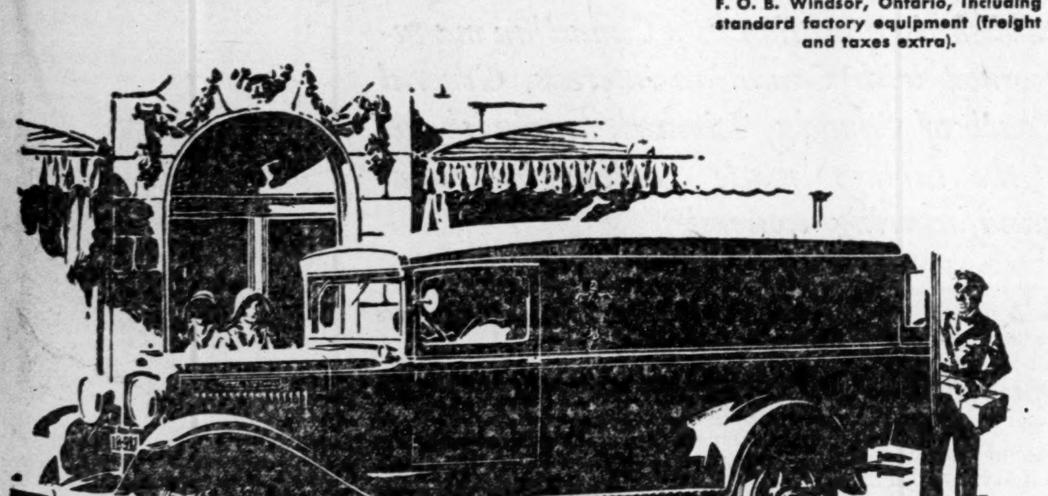
During the elapsed portion of the current half year, production and sales activity have revealed distinct slackening tendencies. Apart from scattered schedule increases by those few companies which recently announced new models, the main course of output is downward and, reflecting the usual midsummer dullness, is likely to remain low for some time.

Should moderate improvement in general business conditions be forthcoming in general business, it is probable that a corresponding trend would materialize in the motor industry and it is important to note that the industry from the viewpoint of production, sales and stocks of cars on hand is in an excellent position to take care of whatever eventuates.

Earning ability!

THAT'S THE FINAL TEST OF THIS 1½ TON TRUCK AT $745

F. O. B. Windsor, Ontario, including standard factory equipment (freight and taxes extra).



"CANADIAN-BUILT FOR CANADIANS"

THE final test of a truck's value is its earnings. Dodge Trucks not only earn—they earn more, for several very definite reasons. » » In the Dodge Standard chassis, for instance, you get Dodge quality and design. Then, because of this truck's many exceptional features, you get greater dependability, ample power, ease of control, speed, safety, economy and long life—all an assurance of a maximum earning. » » Inspect and test this Dodge Standard Truck or any of the many other types in the Dodge line. You will find that the experience gained in building over 400,000 quality Dodge Trucks assures you a truck that is precision-built and perfectly balanced part-to-part—a truck that will work and earn for you every mile of its long life.

SEE THE SPECIAL DISPLAY OF DODGE TRUCKS AT CANADIAN NATIONAL EXHIBITION AUGUST 28 TO SEPTEMBER 12

THE COMPLETE LINE OF DODGE TRUCKS RANGES IN PAYLOAD CAPACITIES FROM 1,200 TO 11,175 POUNDS—PRICED, CHASSIS F. O. B. WINDSOR, ONTARIO, INCLUDING STANDARD FACTORY EQUIPMENT (FREIGHT AND TAXES EXTRA), FROM $540 TO $3425, INCLUDING THE 1½ ... ON CHASSIS AT $745

TO HELP LOWER YOUR HAULING COSTS OPERATING RECORD BOOK FREE

DODGE BROTHERS (CANADA) LIMITED D-15
Windsor, Ontario

Send your Operating Record Book. I understand there is no obligation.

NAME_____

ADDRESS_____

CITY_____ Province_____

Number of Trucks Operated (Book for each will be sent)_____

DEPENDABLE DODGE TRUCKS

DODGE BROTHERS (CANADA) LIMITED, WINDSOR, ONTARIO

WHAT YOU GET for your money when you buy a SEIBERLING TIRE

AFFINITE TREAD—
A new Seiberling rubber compound discovery which makes possible a new tire tread that is finer, more closely knit, tougher, harder to break or tear or cut. The result to you is 35% GREATER WEAR.

ROAD-PROVED CONTOUR—
Means that the tread is 10% wider than old style treads. Form-fitted to the road your Seiberling Tire is able to meet the challenge of your car's high speeds with safety on straight-away or curves or slippery surfaces.

45 DEGREE-ANTI-SKID—
When you clamp down your foot, they TAKE HOLD AND STOP.

CREEL CARCASS—
An equal coating of rubber around each tough cord.

GENEROUS OVERSIZE—
There is 20% more rubber in the new Seiberling tire. This does not mean 20% more rubber is just slapped on to this tire. Every oversize feature is carefully built in balance. This with UNIT BODY CONSTRUCTION makes Seiberlings the strongest tires ever built.

JOS. A. LOBRAICO
SEIBERLING SALES AND SERVICE
527 YONGE STREET
BRANCH 1147 DANFORTH AVE.

GLADSTONE 4770

KINGSDALE 3161

Specifications and Prices of Current Car Models

(Prepared by The Financial Post)

Make	Lines	Wheelbase (inches)	Cylinder No. Bore Stroke	Rated h.p. (N.A.C.C.)	Brakes Type	Tires Size	Price Range F.O.B. Toronto, Taxes Paid	Free Wheeling	Models
Auburn	8-98	127-136	8-3 x4¾	28.8	St.	17x5.50	$1495-2650	•	Full Range, incl. Custom.
Buick	8-50	114	8-2⅞x4¼	26.4	M	18x5.25	$1455-1520*	.....	Full Range.
	8-60	118	8-3 1/16x4⅝	30.0	M	19x5.50	$1840-1940*	.....	Sport Roadster, Phaeton, Business and Special Coupes, Sedan.
	8-80	124	8-3 5/16x5	35.1	M	19x6.50	$2295-2335*	.....	Coupe, Sedan
	8-90	132	8-3 5/16x5	35.1	M	19x6.50	$2500-3025*	.....	Full Range.
Cadillac	3-55	134	8-3⅜x4 15/16	36.4	M	19x6.50	$3950-5535	.....	Coupes, Convert. Coupe, 5 and 7 pass. Sedan, Phaeton Roadster
	370	140-143	12-3⅛x4	46.9	M	19x7.00	$5720-7890	.....	Full Range.
Chevrolet-Independence		109	6-3x5/16 3¾	26.3	M	19x4.75	$ 709- 960*	.....	Full Range.
Chrysler	"70"	.....	6-3⅜x5	27.3	H	18x5.50	$1785-1845	.....	Roadster, Coupes, Con. Coupe.
	Six	175⅞	6-3¼x4⅜	25.3	H	19x5.25	$1270-1440	+$35	Roadster, Coupes, Conv. Coupe, Sedans.
	Eight	186 1/16	8-3⅛x4¼	31.2	H	18x5.50	$2300-2875	.....	Roadster, Coupes, Conv. Coupe, Sedans, Phaeton.
	Imperial "8"	.....	8-3½x5	39.2	H	17x7.50	$4105-5320	.....	Roadster, Coupes, Conv. Coupe, Sedans, Limousine.
Cord	L-29	137½	8-3¼x4½	33.8	H	18x7.00	$4725-5630	.....	Sedan, Brougham, Phaeton, Cabriolet.
De Soto	6	169 3/16	6-3¼x4⅛	25.3	H	19x5.00	$1080-1200	+$35	Roadster, Coupes, Conv. Coupe, Sedan.
	8	177	8-2⅞x4¼	26.4	H	19x5.25	$1140-1300	.....	do.
Dodge	Standard 8	118¼	8-3 x4¼	26.4	H	18x5.50	$1580-1625	F.W.	Roadster, Coupes, Sedan.
	New 6	114¼	6-3¼x4¼	25.3	H	19x5.00	$1205-1240	F.W.	Roadster, Coupes, Conv. Coupe, Sedan Phaeton.
Durant	4-07	111½	4-3⅞x4¼	24.0	St.	19x5.00	$ 884- 946	.....	Roadster, Coupe, Sedan.
	6-11	111½	6-3¼x4	25.4	St.	19x5.00	$ 987-1047	.....	Coupes, Sedan.
	6-14	111½	6-3¼x4	25.4	H	19x5.00	$1026-1227	.....	Roadster, Coupes, Sedans.
	6-18	115	6-3¼x4	25.4	St.	19x5.25	$1260-1350	.....	Roadster, Coupes, Sedans.
Essex	Super Six	113-119	6-2⅞x4½	19.8	M	29x5.00	$ 965-1370	+$50	Roadster, Coach, Coupes, 5 and 7 pass. Sedans.
Ford	A	103½	4-3⅞x4¼	24.0	M	19x4.75	$ 621- 900*	.....	Full Range.
Graham	Prosperity 6	113	6-3⅛x4½	23.4	H	19x5.00	$1215-1360*	.....	Coupes, Sedans.
	Stand. and Spec. 6	115	6-3¼x4½	25.3	H	19x5.50	$1400-1725*	+$50	Roadster, Coupes, Sedans.
	Special 8	120	8-3⅛x4	31.2	H	17x6.00	$1940-2395*	+$60	Coupes, Sedans.
	Custom 8	134	8-3¼x4½	33.8	H	18x6.50	$3125-3950*	.....	5 and 7 pass. Sedans, Limousine.
Hudson	Greater 8	119-126	8-2⅞x4½	26.4	M	29x5.50	$1415-2440	.....	Roadster, Coupes, Brougham, Sedans.
Hupmobile	Century 6	114	6-3¼x4½	25.3	M	19x5.50	$1445-1565	F.W.	Roadster, Coupes, Conv. Coupe, Phaeton, Sedans.
	Century 8	118	8-2⅞x4⅝	26.4	M	19x5.50	$1975-2110	F.W.	Coupes, Victoria, Phaeton, Sedan.
	Century 8	121	8-3 x4¾	28.8	M	19x6.00	$2495-2660	F.W.	do.
	H8	125	8-3½x4¾	39.2	M	19x6.50	$2940-3100	F.W.	do.
	U8	137	8-3½x4¾	39.2	M	19x6.50	$3855-4095	F.W.	Sedan, Limousine, Victoria.
McLaughlin-Buick (see "Buick")									
Nash	960	114¼	6-3⅛x4⅜	23.4	M	19x5.00	$1216-1286	+$30	Coupes, Sedans.
	970	116¼	8-2⅞x4⅜	26.4	M	19x5.25	$1479-1672	+$30	do.
	980	121	8-3 x4¼	28.8	M	18x5.50	$2100-2316	+$42	Coupes, Conv. Coupe, Sedans.
	990	124-133	8-3¼x4½	33.8	M	19x6.50	$2595-3358	+$57	Coupes, Cabriolet, Victoria, Limousine, Sedan.
Oldsmobile	F31	113½	6-3 3/16x4⅛	24.4	M	18x5.25	$1200-1403	.....	Coupes, Cabriolet, Coach, Sedans.
Packard	Standard 8	127½-134½	8-3 3/16x5	32.5	M	19x6.50	$3475-5000 †	.....	Full Range.
	Custom 8	140½	8-3½x5	39.2	M	19x7.00	$5230-7000 †	.....	Full Range.
	De Luxe 8	145½	8-3½x5	39.2	M	19x7.00	$6165-6355 †	.....	7-pass. Sedan, Limousine.
Peerless	6-61A	116	8-2⅞x4¼	27.3	M	29x5.25	$2095 †	.....	Sedan.
	Standard 8	118	8-3⅛x4½	36.4	M	29x5.50	$2595-2695 †	.....	Coupe, Sedan, Brougham, Cabriolet.
	Master 8	125	8-3½x4½	36.4	M	31x6.00	$3495-3595 †	.....	do.
	Custom 8	138	8-3½x4½	36.4	M	31x6.50	$4695-5145 †	.....	Coupe, Sedan, Brougham, Limousine.
Pierce-Arrow	41	147	8-3½x5	39.2	M	18x7.00	$7575-11325	F.W.	Full Range.
	42	142	8-3½x5	39.2	M	18x7.00	$6100-7075	F.W.	Full Range.
	43	134-137	8-3½x5	39.2	M	19x6.50	$4750-5450	F.W.	Full Range.
Plymouth	New	110	4-3⅝x4¾	21.0	H	19x4.75	$ 820- 965	F.W.	Full Range.
Pontiac	401	112	6-3 5/16x3⅞	26.3	M	19x5.00	$ 987-1177*	.....	Coupes, Cabriolet, Coach, Sedans.
Reo	Flying Cloud 621	121	6-3⅜x5	27.3	H	17x6.00	$2135	.....	Standard Sedan.
	Flying Cloud 821	121	8-3 x4¾	28.8	H	17x6.00	$2265	.....	Sedan, Victoria Coupe.
	Flying Cloud 825	125	8-3 x4¾	28.8	H	17x6.50	$2435	.....	do.
	Royale 831	131	8-3⅜x5	36.4	H	18x6.50	$3290	.....	do.
	Royale 835	135	8-3⅜x5	36.4	H	18x6.50	on app.	.....	do.
Studebaker	Six	114	6-3¼x4⅛	25.4	M	19x5.25	$1185-1480	F.W.	Roadster, Coupes, Tourer, Sedans.
	Dictator 8	114	8-3 1/16x3¼	30.4	M	19x5.25	$1610-1915	F.W.	Coupes, Sedans.
	Commander 8	124	8-3 1/16x4¼	30.4	M	19x6.00	$2390-2725	F.W.	Coupes, Brougham, Victoria, Sedans.
	President 8	130-136	8-3½x4⅜	39.2	M	19x6.50	$2830-3175	F.W.	Roadster, Coupes, Sedans.
Willys	Six 97 and 98D	110-113	6-3¼x3⅞	25.3	..	29x5.00	....	.....	....
	Eight....8-80	120	8-3⅛x4	31.2	..	29x5.50	....	.....	....
	Eight....8-80D	121	8-3⅛x4	31.2	..	29x5.50	....	.....	....
Willys-Knight	66D	121	6-3⅜x4¾	27.3	..	30x6.00	....	.....	....

H-Hydraulic Brakes. M-Mechanical Brakes. * License included. St-Steel-draulic. †-Subject to Revision.
°-Free-Wheeling on Custom Models.

S.A.E. COMMITTEE FORESEES TRAFFIC AT HIGHER SPEEDS

Consider Best Methods of Meeting Driving Emergencies

It was recently predicted by some members of the Society of Automotive Engineers that road speeds in excess of 100 miles per hour will be demanded in the next decade. This prediction has raised a storm of protest from safety councillors and road experts who say that such speeds will be highly dangerous, will result in a greater toll of lives and, in general, will reflect to the detriment of the automobile industry.

On the contrary, automotive road experts and designers are of the belief that such speeds will be common, with greater safety and less loss of life than present records show. Supporting their contention they point to the development of finely constructed super-highways with marginal roads and proper turn-ins, a more unified system of main arteries, better educated drivers, increased engine power, greater acceleration, better brakes, better weight distribution, lower centers of gravity, improved forms of spring and body suspension, lower streamline bodies, better road vision and a highly efficient system of signal controls.

It is not anticipated that this development of safe high speed travel will be an overnight transition. It is expected that the advancement must be preceded by universal education and training with respect to fast moving vehicular behavior and control.

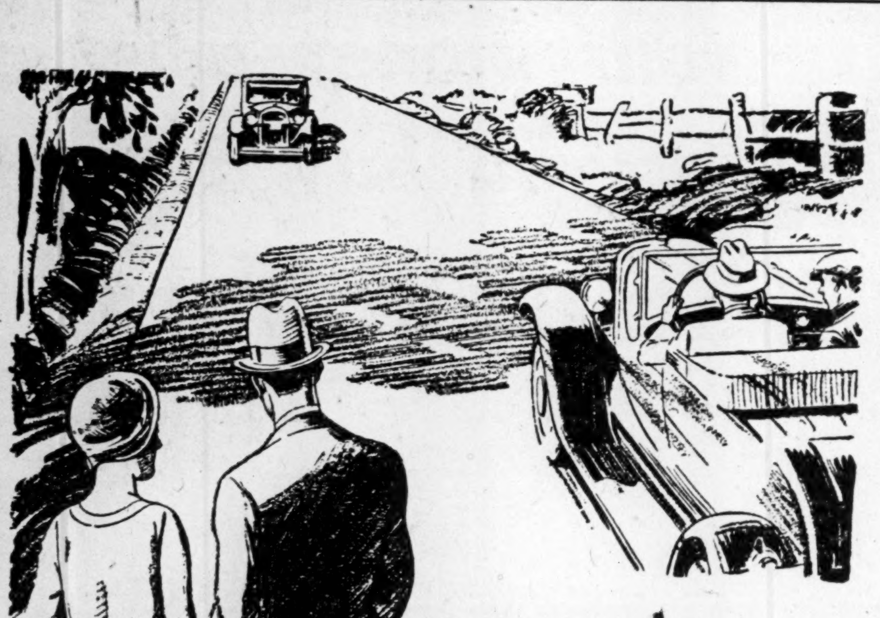
The passenger car activity division of the Society of Automotive Engineers accordingly has decided to consider the problem from several aspects and to report its findings at the annual meeting of the society which will be held in Detroit next January. Some of the questions so far submitted to the committee follow:

1. How is the driver to know whether he has locked his brakes?
2. How should brakes be applied to give a maximum decelerating effect?
3. When the car gets out of steering control, what should be done to bring it into control again?
4. If wheels go off pavement into soft shoulder, what is likely to happen? What should be done?
5. Assuming car is travelling at high speed on smooth pavement and pavement suddenly changes to rough, which threatens to put the car out of control, what is proper thing to do?
6. What should the driver do when a front tire goes flat?
7. What should he do when a rear tire goes flat?
8. What should the driver do when the rear wheels skid sidewise under power on wet or slippery pavement, on snow or ice?
9. How should the driver handle the car when it sways from side to side on roads made of loose material, such as gravel, slag, etc.?
10. What is the proper manner of operating the car to slow it down or stop it when going down a dangerous hill?
11. What is the proper manner of operating the car on wet, slick pavement?
12. What is the proper manner of operating the car on ice or snow?
13. Should a car be handled differently down grade than on the level?
14. Can brakes be used on curves in the same manner as on straight roads?
15. Is it less dangerous to sideswipe another car than to take to the ditch?
16. If collision is unavoidable, what is the best course of action?
17. Should the clutch be engaged or not for emergency stops?
18. On what occasion should the driver shift from high to a lower gear and how should it be done?

Uniform Traffic Regulation Planned by Association

A scheme is under way, sponsored by the Good Roads Association, for the unification of traffic regulations throughout Canada.

A committee headed by J. P. Bickell was appointed by the G. R. A. some months ago to go into the question and the report containing this committee's recommendations will be brought up at a meeting which has been called by the Good Roads Association during the early part of next month.



Walk on the LEFT of country roads ... Face the Traffic

This rule is important at all times, but especially so at dusk and at night.

At such times, no matter how careful the driver of a car is, he may not see you until he is very near to you and it may be impossible for him to stop in time to avoid inflicting serious injury.

Should he swerve to avoid hitting you, though you may escape injury others may be hurt.

Of the 524 fatalities on the highways of Ontario last year a large number were caused by persons walking *with* rather than *against* traffic.

Why take a chance?

ONTARIO DEPARTMENT *of* HIGHWAYS

THE HON. LEOPOLD MACAULAY, MINISTER

F3

WORTHY OF YOUR CONFIDENCE

To maintain an established reputation as a Canadian manufacturer vitally concerned with Canadian interests, General Motors Truck & Coach of Canada, Limited, again shares with truck buyers the savings made possible by recent manufacturing economies

GENERAL Motors Truck & Coach of Canada, Limited, offers Canadian buyers a complete line of Canadian-built haulage units—backed by a manufacturing and servicing organization without a duplicate in Canada.

To gain and hold the confidence of Canadian truck buyers, General Motors Truck has, for several years, manufactured only trucks and coaches designed by Canadian engineers exclusively for the Canadian market. This program has been followed in the belief that Canadian hauling conditions require a special type of equipment. And sales figures prove that truck buyers agree, for General Motors Truck & Coach of Canada, Limited, sells more trucks and coaches than any other company manufacturing or assembling in the Dominion.

And in addition to providing trucks and coaches whose exceptional speed, power, ruggedness and economy have been proved by millions of miles of driving over Canadian highways, General Motors Truck has consistently followed a low-price policy. General Motors trucks and coaches are priced to give you maximum value for every dollar you spend, and prices are reduced whenever new manufacturing economies make it possible.

Such a circumstance has recently arisen. As a result, General Motors Truck & Coach of Canada, Limited, has again reduced prices on a number of light delivery units. These are the models you see so often on the road; smart and handsome because they have that exclusive General Motors feature—body and cab built in one unit. And durable and economical because they are built with a full knowledge of the needs of the Canadian light delivery field.

If your business calls for a heavier haulage unit, General Motors Truck offers you equally outstanding values in any size and type of truck or coach. And this company offers the added and exclusive advantage of a Dominion-wide service system consisting of 9 factory branches and a vast dealer organization equipped to give you fast, dependable service at very low cost.

• *You can now purchase a 1¼-ton General Motors Truck for as little as $725, and a 1½-ton General Motors Truck for $825, with a small down payment and convenient G.M.A.C. terms.*

Seven Years of Continuous GM GENERAL MOTORS PRODUCTS *Manufacturing in Canada*

GENERAL MOTORS TRUCKS

GENERAL MOTORS TRUCK & COACH OF CANADA, LIMITED, WALKERVILLE, ONT.

Factory Branches: Montreal Toronto Hamilton London Windsor Winnipeg Regina Calgary Vancouver

Distributors: Ottawa Edmonton Saskatoon

GMT-27

IT'S BETTER BECAUSE IT'S CANADIAN